

**Annual Report and Accounts
2022/23**

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The Tavistock and Portman
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

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1 Trust Chair's Statement

As Chair of The Tavistock and Portman NHS Foundation Trust, it is a great privilege to welcome you to our 2022/23 Annual Report. Over the past year, the Trust has experienced a significant period of change, and I am delighted to update you on our progress.

The Trust has been at the forefront of community-based approaches to mental health for over a century. Our distinctive therapeutic approaches are centred on understanding people's experiences and relationships, focusing on strengths, building hope, and encouraging reflection. We work with people of all ages, helping them address emotional wellbeing and development, complex mental illness, and gender identity in a relational and holistic way. Our aim is to reduce the need for crisis responses, keep people safe, better able to cope and thrive.

Since I took up the Chair position in June 2022, we have undergone significant changes, including the completion of our Strategic Review, the appointment of a new Chief Executive Officer, and strengthening our Board with the addition of new Non-Executive Directors. We are also currently in the process of strengthening our Executive Leadership Team to enable us to address the undoubted challenges we face; and to enable the Trust to grow in scope and influence. We have reworked our Board sub-committee structure and are strengthening our Corporate Governance function. We are also addressing staff morale and engagement and creating the right culture and support for our brilliant clinicians, educators, and corporate and administrative staff, so that we can all work together to deliver excellence in clinical care and educational services.

We are determined to restore the Trust to its position as one of the best places in the country to work, receive care, and learn. Our new Board members and staff are energised and committed to tackling the challenges facing the Trust. We continue to provide high-quality interventions addressing diverse mental health, developmental, and wellbeing needs, including some of the most complex and vulnerable patient groups in the country.

We are proud to be the first NHS organisation registered with the Office for Students, which puts our expertise in workforce development and as an educator and trainer at the heart of the NHS's ambitions for a more integrated and multidisciplinary approach to meeting the mental health and wellbeing needs of our population. We are committed to tackling discrimination and embracing diversity across our organisation, and we recognise the need to do more in terms of Board-level recruitment to address this issue.

I am confident that the Trust can play a pivotal role in improving the mental health and wellbeing of our population and supporting the most vulnerable members of our society. We have collaborated with organisations across professional boundaries to put the needs of patients and their networks first, and we continue to embrace working at system and national levels.

In closing, I want to express my gratitude to our staff, patients, and stakeholders for their unwavering support during this time of transition. Together, we can achieve our vision of being one of the best mental health Trusts in the country.

Signature:



John Lawlor OBE
Trust Chair

Date: 28 June 2023

2 Performance Report

Annual Performance Statement from the Chief Executive Officer

It has been a busy and developmental year, with a huge amount of change whilst laying the foundation for the future here at The Tavistock and Portman NHS Foundation Trust. We welcomed John Lawlor as our new Trust Chair in June 2022, following the end of Paul Burstow's second and final term. In September we bid farewell to Paul Jenkins, who retired after eight years as Chief Executive Officer (CEO), and I joined the Trust as the new CEO in November 2022. We have also recruited new Board members, three Non-Executive Directors (NEDs), one Associate NED, and our new Chief People Officer. We will be filling the remaining permanent posts to our Executive Leadership Team in the new financial year. Many thanks to our existing Trust and North Central London Integrated Care System (NCL ICS) who have stepped into these positions on an interim basis this year.

Our Trust's work was disrupted in 2022/23 by a national outage in the patient record system CareNotes. Our staff responded swiftly, but the downtime led to considerable additional work both during and afterwards as we worked to restore our systems and records.

The internal and external pressures the Trust has faced in 2022/23 are reflected in our results in the national NHS staff survey this year. However, the changes brought in both by our new leadership and the improvements to our governance arrangements are starting to bear fruit. I have been speaking with staff at all levels across the Trust as I settle into my role, and I always encounter a desire and resolve to improve the experience of working at the Trust so we can continue to deliver excellent healthcare and education and be proud of all that we do.

STRATEGIC AND BOARD GOVERNANCE REVIEWS

To address key challenges that we are facing, our Trust undertook a strategic review of our operational delivery and independently commissioned a review of our governance. Following these, new organisational and committee structures have been established, and we are implementing and embedding recommendations from the governance review. These new ways of working are crucial to the continuing stability and relevance of our Trust, enabling us to continue to make our unique contribution to the mental health landscape at both a local and national level, through our clinical and educational services, organisational consulting, and innovative research.

The new Board sub-committee structure and new leadership are already making a substantial difference. For example, the People, Organisational Development, Equality, Diversity and Inclusion Committee (POD EDI); the new Equality, Diversity and Inclusion function and new and re-energised People leadership and team have already developed a new People Plan. Some of the outputs of the People Plan include the publication of an anti-racism statement and the establishment of a new race equality programme to deliver meaningful change.

While much has been achieved, there remains a considerable amount to do to secure the Trust's long term financial and operational sustainability, improve reporting of outcomes and ensure better alignment with services across the NCL ICS.

NHS Oversight Framework

In light of the scale of challenges facing the organisation, in February 2022 the Trust was moved into segment three of the NHS England's NHS Oversight Framework (which describes how the oversight of NHS trusts, foundation trusts and integrated care boards will operate). The effects of this change in segment include receiving a package of mandated support from across the NCL ICS and NHS England (NHSE). We have made substantial progress in

addressing key issues and are working closely with partners across the system to meet the requirements placed on us.

CLINICAL SERVICES

Over the past year, our staff have worked very hard to respond to the scale and complexity of demand for mental health services. Developments have included:

- The Camden Adolescent Intensive Support Service (CAISS) team continues to achieve a steady reduction in the number of young people aged between 11 to 18 who need admission to inpatient psychiatric units, as well as reducing the length of admissions. In 2016, CAISS's first year, there were 2,926 days in which beds were occupied by young people in Tier 4 units. In 2022/23 the number of 'occupied bed days' had fallen to 611.
- Referrals to our Adult Trauma service have continued to rise. A number of developments have been implemented to improve flow and allow the service to grow this important work and best provide this critical care to all those who require it
- Gloucester House was rated Good by Ofsted and Outstanding for behaviour.
- It was announced in July 2022 by NHSE that new regional centres will be set up to deliver care for young people experiencing distress around their gender identity. As part of this service redesign, the Gender Identity Development Service (GIDS) at The Tavistock and Portman NHS Foundation Trust will be brought to a managed close. NHSE has asked us to continue to manage our current caseload whilst the transfer of services progresses. All new referrals for gender services for young people are now being held by Arden and GEM NHS Commissioning Support Unit on behalf of NHSE.
- As one of the national four-week wait trailblazer sites, we continue to see the majority (circa 70%) of Children's and Young People (CYP) referred to our Child and Adolescent Mental Health Services (CAMHS) within four weeks.

EDUCATION AND TRAINING

There has also been considerable change in our Directorate of Education and Training. Following the easing of covid restrictions we were delighted to welcome our students back to the building for in-person teaching this year. We also enjoyed celebrating the achievements of our graduating students from 2020, 2021 and 2022 at our graduation ceremony in spring this year. The day featured several insightful and emotional addresses, including from Dr Jacqui Dyer MBE, who was awarded an Honorary Doctorate, and Hilary Solomon who gave an address on behalf of Mike Solomon, her late husband, who was also awarded an Honorary Doctorate.

We have also seen growth in our directorate of education and training. Over the last year we have:

- Continued to attract learners to our long and short course programmes
- Developed and delivered more programmes on our Digital Academy, including being successful in the development and offer of Senior Mental Health Leads training via DfE funding which has reached hundreds of education professionals
- Been granted an expansion of our world renown Child and Adolescent Psychotherapy (M80) professional doctorate from Health Education England
- Built on existing and developed new partnerships for international provision
- Delivered a new education and training website to provide a better interface for prospective students and existing learners

FINANCIAL PERFORMANCE

At the end of the full year result for 2022/23, the Trust incurred a net deficit of £3.6m. This is a £0.2m positive variance against the planned deficit of £3.8m. The Trust also delivered its forecast capital expenditure plan of £3.3m.

Signature:

A handwritten signature in brown ink, appearing to read "MHolland". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Trust Overview

This section of the annual report provides a short summary about our organisation, its history, our purpose and how we have performed against our strategic objectives and the risks to achieving these.

OUR HISTORY

For 100 years, The Tavistock and Portman clinics have embodied a distinctive way of thinking about and understanding mental distress, mental health, and emotional wellbeing. Working with children, families and adults, our approach brings together a range of approaches to understand the unconscious as well as conscious aspects of a person's experience, and places the person, their relationships and social context at the centre of our practice.

The Tavistock Clinic, founded in 1920, and the Portman Clinic, founded in 1933, merged into a single NHS Trust in 1994. In November 2006 we became an NHS Foundation Trust.

OUR PURPOSE

We are a specialist mental health trust with a focus on training and education alongside a full range of mental health services and psychological therapies for children and their families, young people and adults.

We are committed to improving mental health and emotional wellbeing, believing that high quality mental health services should be available for all who need them. We bring a distinctive contribution based on the importance we attach to social experience at all stages of people's lives, and our focus on psychological and developmental approaches to the promotion of health and the prevention and treatment of mental ill health.

We contribute to the pool of ideas through our own research and development and are also committed to bringing together the best ideas from others, both inside and outside the Trust. We aim to share our ideas and practice through as many routes as possible.

As a Trust, we aim constantly to be evolving in nature and form in relation to the environment in which we work, to ensure that our contribution remains relevant.

OUR AIMS

The Tavistock and Portman NHS Foundation Trust will:

- continue to deliver and develop high quality and high impact patient services
- offer training and education which meets the evolving needs of individuals and employers and helps transform the workforce in health, care and other sectors
- develop its presence as a centre of excellence in research
- lead the development and evaluation of new models of care and innovative approaches to addressing systemic issues in the delivery of care and other services
- use its insights and expertise to contribute to the development of national debate and public policy.

OUR VALUES

As an organisation:

- we work with people with lived experience to co-create and improve our services and inform our decision making
- we are caring and compassionate

- we are passionate about the quality of our work and committed to openness, the use of evidence and the application of improvement science
- we value all our staff, are concerned for their well-being, and seek to foster leadership, innovation, and excellence in our workforce
- we embrace diversity in our workforce and work to make our services and training as accessible as possible
- we work with others, in the United Kingdom and internationally, who share our values and can enable us to achieve our mission.

HOW WE OPERATE

As an NHS Foundation Trust, we are accountable to Parliament and regulated by the Care Quality Commission (CQC). We are part of the NHS and must meet national standards and targets. Our Governors and members ensure that we are accountable and listen to the needs and views of our service users. Our school, Gloucester House, is regulated by Ofsted.

As a specialist Provider Trust, we have several roles across health and care systems, including:

- Providing mental health services to our local population in Camden;
- Delivering several specialist services which can be accessed by any individual across England and Wales;
- Providing education and training in a range of health and care subject areas, some commissioned by Health Education England (HEE); and
- Leading on research and innovation in both formally commissioned studies and locally driven innovation path finding.

To deliver the above services, we have a Clinical and an Education and Training Directorate, which are supported by corporate and other enabling functions.

Our work is increasingly, more closely co-ordinated and integrated with that of the NCL ICS.

Each year, we develop and implement strategic objectives which set the direction for us to achieve our long-term ambitions. Our strategic objectives for 2022/23 are described in the next section (Future Priorities/ Strategy) of the Annual Report.

FUTURE PRIORITIES/STRATEGY

During 2022/23, the Trust concluded its major programme of Strategic Review which had commenced over the prior few years in response to a series of challenges linked to our finances, NHS system changes, diversity, operations, and our use of data and how we measure impact. The implementation phase concluded in December 2022 with the shift to a refreshed organisational structure.

2022/23 saw the Trust enter into a level of enhanced oversight from the NCL Integrated Care Board (ICB) and NHS England (NHSE) due to their assessment of a range of service performance and financial challenges and risks to future services and organisation sustainability. This oversight has supported our focus and development in several priority areas of service performance alongside Trust capability development including our governance and leadership arrangements.

The Trust Board also refreshed the Trust's future direction as an organisation in response to significant risks to its on-going sustainability and development – comprising a series of financial, service performance and quality, and wider capability challenges. The Trust revised its strategic objectives to reflect its immediate priorities, and these are shown below:

1. Improve delivery of high-quality clinical services which make a significant difference to the lives of the people & communities we serve.
2. Be a great & safe place to work, train & learn for everyone. A place where we can all thrive and feel proud in a culture of inclusivity, compassion & collaboration.
3. Develop & deliver a strategy & financial plan that supports medium & long-term organisational sustainability & aligns with the ICS.
4. Be an effective, integrated partner within the ICS & nationally, supporting improvements in population health & care & reducing health inequalities.
5. Ensure we are well-led & effectively governed.

Accordingly, the Trust embarked on a programme of development of its strategy which started in the Autumn of 2022/23 and is expected to conclude during the summer of 2023/24. It is going through a comprehensive process of aligning the organisation to changes across the mental health and education sector landscape, reflecting changing requirements and demand (locally, nationally and internationally) - with a much greater focus on population health and well-being; prevention of ill health and addressing inequalities; seeking to build on its proud heritage and strengths in clinical services provision alongside education and training, whilst addressing key weaknesses in aspects of service performance, operations and governance.

KEY ISSUES AND STRATEGIC AND OPERATIONAL RISKS

The Trust has a well-defined approach to managing both its strategic and operational risks. The principal risks to the achievement of the organisation's strategic objectives are captured within our Board Assurance Framework (BAF) and reported to the Board of Directors (Board) four times a year. The BAF process, by targeting the key risks most likely to impact the achievement of the organisation's strategic objectives provides the Board with a baseline for seeking assurance that control measures in place to manage these risks are effective.

The strategic risks contained within the 2022/23 BAF were reviewed and refreshed mid-year following the Board's agreement of a revised set of strategic objectives in December 2022. These risks were initially discussed and agreed with the Executive leads for each strategic area and then through the Board sub-committees before being officially endorsed by the Board. The BAF reporting structure has been enhanced in year to provide greater emphasis on the linkage between key controls, assurances received, and actions required to address gaps in control identified.

During 2022/23, a programme of risk development work commenced to enhance the risk management process within the Trust. This process will continue through 2023/24 and include an enhanced process around the reporting of corporate and directorate risks through the revised operational committee framework and include the escalation of risk through to the Executive Leadership Team and Board sub-committees.

Strategic Risks

A key part of a risk assessment process is the assignment of a risk score to each risk. This enables risks to be ranked in terms of priority for action and review. Risk scores are determined by the likelihood of the risk occurring and the impact of that risk on the Trust.

There are some key strategic risks that continue to be managed by the Trust at a high-risk level (score of 15+) these include the following:

The Trust recognises the importance of communicating strong regulatory performance and that a failure to achieve this has a direct impact on the level of politically charged reporting around the status and future of the Gender Identity Development Service (GIDS). Although in year CQC feedback has been positive, this risk remains high as the Trust continues to be linked to negative press (5x4=20).

The ability of the Trust to deliver the financial plan and demonstrate a clear trajectory towards break-even remains a key strategic risk which going forward will impact on the delivery of medium and longer term ICB financial obligations and in turn could limit opportunities for investment to deliver a sustainable financial service model (4x4=16).

The Trust is also under continued pressure due to limitations in capacity and variations in care pathways which is resulting in increased wait times and demand for Trust services. Although activity monitoring continues across key services (Adult services, Gender Identity Clinic (GIC) and Autism assessments) accurate reporting has been limited due to issues around access to CareNotes and other reporting structures being out of date. Work continues to align performance and reporting systems to the new management structure and monitoring groups whilst working to recover the CareNotes system reporting metrics. The key strategic driver going forward is to review clinical pathways and clinical models and ensure they remain fit for purpose. Although this has commenced, the current risk remains high (4x4=16)

The other current key strategic risk relates to the changes in the commissioning environment which when placed alongside the impact of the pandemic on funding and delivery models is potentially restricting the Trusts ability to establish new sustainable income streams. This also limits our ability to adapt the current service configuration which may render our existing service provision unsustainable. Actions are in place to address service specifications with

commissioners and undertake further market assessment but at present the risk is still considered high (4x4=16).

Operational Risks

A number of operational risks on the risk register, which have a high score (out of 25), have also had increased focus this year. These include:

- Higher Education Statistics Agency (HESA) data reporting requirements:
The risk of not capturing, monitoring, and returning student data accurately and in accordance with statutory requirements may lead to a failure to receive adequate student funding.
- GIC waiting times:
There is a high-level operational risk relating to the growing waiting list for GIC services which could lead to an increase in serious incidents, anxiety and stress to patients. The risk currently scores 4x4=16. A detailed action plan addressing the waiting list has been agreed.
- Prioritisation of staff:
There remains a current high risk around the retention and development of the workforce and need to improve morale, development opportunities and staff wellbeing. (4x4=16). Actions to address wellbeing, development and recruitment to roles are in place.

EQUALITY OF SERVICE DELIVERY

Department of Education and Training

The Trust work to understand the experience of students and those with Protected Characteristics under the Equality Act has continued over the past year via the annual reporting cycle for data which focuses on equality, diversity, and inclusion across the student experience from application through to graduation. This also includes analysing data regarding student complaints, appeals and cases of academic misconduct to identify if any group is overrepresented. Any patterns or themes which indicate areas of concern and good practice are addressed in the Equality, Diversity and Inclusion (EDI) action plan at portfolio level.

We have supported the focus on ensuring curricula and reading lists are inclusive and representative of writers from a range of perspectives, cultures, backgrounds, and geography by providing additional funding so that reading lists can be reviewed and updated. We continue to run Continuing Professional Development (CPD) programmes to support staff development in areas of difference and diversity, including a session for research supervisors on Supervision through an anti-racist lens in PhD research.

The overall recruitment gap measuring the likelihood of applicants from a minority ethnic background being offered a place compared with white applicants continues to fall from 10% in 2018/19 to 2% in the 2021/22 Academic Year.

The overall awards gap measuring the likelihood of applicants from a minority ethnic background being awarded a Distinction or Merit, has fluctuated from year to year. We are trying to understand what impacts this fluctuation and how best to reduce it consistently. Whilst still unacceptably high, at 17% in 2021/22, this is 6% lower than the previous year.

The impact on the diversity of the student body from the bursary programmes is starting to be seen as we have offered funding to students on four courses per year. On one of these courses the proportion of Black, Asian and Ethnic Minority students has increased from 30% to 70%. We continue to work with the Tavistock Charity and the pending appointment of a fund raiser will hopefully contribute to a more sustainable source of funding for bursaries.

Clinical Services

The Trust is committed to providing an equitable service which is designed in partnership with service users in order to meet the needs of the population we serve. This commitment includes having due regard to the aims of the public sector equality duty, capturing patient satisfaction and experience scores by protected characteristics, using key performance indicators to measure equality of service provision, and promoting equality of service delivery. The public sector equality duties include:

- Advancing equal opportunities across genders
- Eliminating unlawful discrimination, harassment, and victimisation
- Removing or minimising disadvantage suffered by people who share relevant protected characteristics
- Making every effort to meet the needs of people who share a relevant protected characteristic that differ from the needs of those who don't.

To address the need for equality across services, we have taken a range of approaches. These include (i) using data to better understand the needs of our patients and at a local population level, (ii) having a clear improvement plan through a dedicated equalities quality priority and (iii) designing services that improve equality of access.

Some examples of services that we have developed or extended to improve equality of access include:

- Our Adult Gender service – we operate the largest Adult Gender Clinic in the country which provides assessment and access into treatment including gender related psychology and gender speech and language approaches.
- We currently provide the only children's Gender service in the country – working with a vulnerable population providing support and family work as well as gender assessments. Often these young people are already within marginalised groups in society without much social 'capital' and have significant psycho-social and socially determined difficulties as well as internal emotional conflicts which leaves them at high risk of harm in multiple ways.
- Forensic Children & Adolescents' Mental Health Service – this service is for professionals and systems of care working with young people where there are serious 'forensic' issues which then relate to their behaviour, relationships, emotional and educational aspects of care.
- The family Drug and Alcohol court – working with severely disadvantaged families where issues with drugs and alcohol have led to child protection concerns. The service works with the family court to assess and provide intensive treatment. Peer support workers who have successfully graduated from the service provide additional support to families.
- Children's refugee service – we have specialists working with refugee families and unaccompanied minors, providing therapeutic and psychosocial support to the families, young people, and the networks around them.
- Turkish Speaking Horticultural Therapy Group – this innovative community service provides high quality psychotherapy in a mother tongue group based within a local city farm garden, which provides a less clinical or forbidding setting for marginalised women to join and speak about their experiences of trauma whilst having a central focus on growing and nurturing plants and using the soil and new life as metaphors for human development and change.
- We run a therapeutic school for up to 21 children – the children have severe emotional and behavioural difficulties that have impacted on their ability to access education, many

of these children are subject to child protection plans or are looked after and all are subject to an Education Health and Care Plan (EHCP).

- Looked after and adopted children's services – we provide a dedicated team to support looked after and adopted children and young people, providing individual support, family work and network interventions as needed.
- Returning families service – we run an assessment and treatment service for families who are returning to the UK from countries where there are high levels of violence and conflict. These families are often traumatised and ostracised, and require significant support at an individual, family and network level.
- Trauma Service – we run a unique service offering treatment to survivors of historical child sexual abuse, individually and in groups. It also works with victims of violence, torture, war, and other human rights abuses. The service has creative links with the Red Cross and provides consultation, training, and outreach support to a wide range of other NHS and Third Sector organisations seeking a more sophisticated understanding of the effects of complex trauma on human suffering and mental ill health. The Trauma service also runs a gardening group and peer support work to improve access.
- Our Mental health in schools' team – we are in the process of setting up a group supporting LGBTQI+ youth in schools.

In addition to these dedicated services, many of our teams now hold Equality, Diversity and Inclusion (EDI) forums and/or reflective spaces to ensure that EDI is at the forefront of our practitioner's thinking and practice and is woven through the delivery of clinical interventions.

We have recently commenced work to look at how we provide information in the most prevalent languages of our patient groups to ensure we meet the needs of the local diverse population we serve.

We have begun work to look at differences in experience of patients by ethnicity. Once a baseline is established, we will be seeking to address these differences with service users.

All our services actively consider the impact of historical and social exclusion in terms of health inequalities, and we are actively researching the barriers to referral in the demographic intake data. This may lead to a review of our intake processes in order to ensure that referrers are clear who may best benefit from our services and what they might want to consider in terms of health inequalities and its health economic impact in society.

GOING CONCERN DISCLOSURE

On 28 July 2022, NHSE made an announcement on their website indicating that NHSE will no longer be commissioning the Gender Identity Development Service (“GIDS”) directly via the Trust. Whilst there have been ongoing discussions with NHSE, at the date of these accounts, the Trust is still not clear on the financial or operational implications of this for the Trust. It should be noted that income from GIDS represents 14% of total Trust income. Having made enquiries, and in line with the guidance provided by NHSE, despite the potential loss of the income from GIDS, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Signature:

A handwritten signature in dark ink, appearing to read 'M Holland', with a long horizontal flourish extending to the right.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

3 Accountability Report

The accountability report is made up of the following sections.

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Within the accountability report the following sections or tables have been subject to external audit.

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Directors' Report

The Tavistock and Portman NHS Foundation Trust experienced a challenging year both operationally and financially. Our staff continue to provide high levels of care and education, as demonstrated through our performance in what has been a challenging financial context.

Delivering High Quality Care

We are a specialist organisation providing mental health and educational services. Our commitment to delivering high quality and safe care is described in our mission and values and demonstrated through strong operational performance and staff experience.

QUALITY STANDARDS AND QUALITY IMPROVEMENT

The Chief Nursing and Chief Medical Officers have continued to lead the work on maintaining and developing our care quality standards during the year, under the strategic oversight of the Board and associated operational groups and forums.

There have been some challenges in the delivery of Quality Improvement (QI) in the Trust over the last year:

- Restructuring of the service associated with the Trust strategic review: the QI teams have been re-organised in line with the new structures.
- Interim leadership of QI while the Trust's permanent Executive team are being recruited.
- Turnover of staff has led to some gaps within the QI team: recruitment to vacant roles is in progress.
- Internal Trust QI training has had to be put on hold due to QI team shortages: staff have been directed to online training resources and NCL partner training. The training will resume once staffing gaps are filled.

Despite the above challenges, the QI team have continued to support, embed, and deliver QI across the Trust, including the areas listed below:

- There are QI Leads/ Associate Leads supported by an Associate Director for Clinical Governance and QI across the Trust. Although some vacant posts exist, some new QI posts were created through the strategic review to optimise Trustwide QI support.
- QI forums are now well-established across the Trust and support new and ongoing projects.
- There are approximately 20 active projects across the Trust, supported through these forums.
- The QI Group meets fortnightly and oversees the QI work across the Trust.
- The QI intranet page includes a staff QI handbook and completed QI projects with learning, along with links to useful resources: this is currently undergoing a refresh and update.
- A total of 116 staff across the Trust have attended the internal QI introductory training so far: we aim to roll out further training in 2023/24.

Our Annual Quality Account which is published on the Trust's [website](#) provides further in-depth information on the quality of our services.

NHS STAFF SURVEY

The staff survey is the Trust's current primary method by which organisational culture is measured. This includes how well-led staff feel and whether they feel sufficiently supported to enable them to fulfil their potential. This can be best described as staff experience. We

therefore use the results to inform improvements in working conditions and practices. The survey is conducted annually between October and the end of November.

The 2022 Staff Survey has had a considerable review to align to the NHS People Promise, which is the most notable change for at least a decade. It balances the need to keep modernising with the need to maintain comparability of survey results which ensures that results are of the highest value. Aligning the survey with the NHS People Promise enables progress to be tracked against the ambition to make the NHS the workplace we all want it to be by 2024.

The results of the NHS Staff Survey are measured against the seven People Promise elements and against two of the themes reported in previous years (Staff Engagement and Morale). This means the results are presented differently this year but where comparisons with previous years and the results as compared to our benchmark group which is Mental Health (MH) and Learning Disability (LD) and MH & LD Community Trusts, can be made these are presented below.

The People Promise elements are:



The national survey was conducted online and 43% of the Trust's staff responded, this is down from 58% in the previous year. We have a slightly lower response rate than the national average (46%).

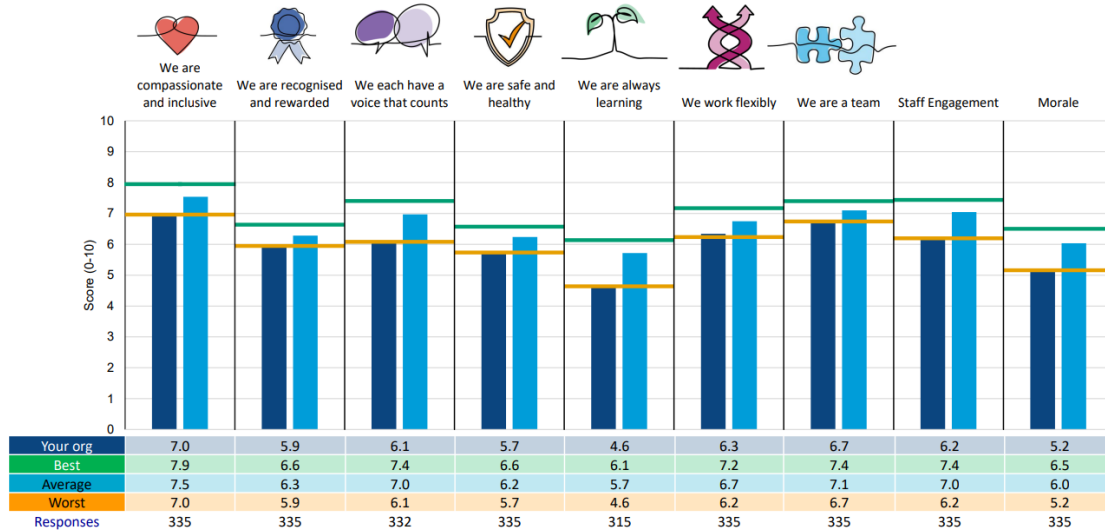
Nationally, the staff survey results have been declining over the past few years however, the most recent results for our Trust highlight the low morale and difficulties our staff have felt during a long period of uncertainty driven by the COVID pandemic, the specific context of the Trust in relation to our Gender Services and the introduction of a new organisational structure (Strategic Review).

The Trusts results for 2022 showed that the experience of staff at The Tavistock and Portman is below that experienced by staff in the Trusts we were compared against, and this was across all nine themes. The results, where comparisons can be made also show a deterioration in staff experience as compared to last year. The areas of greatest concern are in relation to staff feeling they have a voice that counts and staff morale.

A summary taken directly from the national benchmark report is below:

People Promise Elements and Themes: Overview

All of the People Promise elements, themes and sub-scores are scored on a 0-10 scale, where a higher score is more positive than a lower score.



Each themed area incorporates a number of individual questions. These can be reviewed in the Staff Survey Benchmark and Directorate reports on a more granular level to enable specific issues to be identified.

As this is the second year that the results have been aligned to the People Promise we are able to review comparisons in line with each theme. In 4 of the 9 themed results, we are significantly lower than 2021. These areas are 'We are recognised and rewarded', 'We are always learning', 'Staff Engagement' and 'Morale'.

Appendix B: Significance testing – 2021 vs 2022

The table below presents the results of significance testing conducted on the theme scores calculated in both 2021 and 2022*.

People Promise elements	2021 score	2021 respondents	2022 score	2022 respondents	Statistically significant change?
We are compassionate and inclusive	7.2	411	7.0	335	Not significant
We are recognised and rewarded	6.3	419	5.9	335	Significantly lower
We each have a voice that counts	6.4	408	6.1	332	Not significant
We are safe and healthy	5.9	411	5.7	335	Not significant
We are always learning	5.2	397	4.6	315	Significantly lower
We work flexibly	6.5	416	6.3	335	Not significant
We are a team	6.9	414	6.7	335	Not significant
Themes					
Staff Engagement	6.6	420	6.2	335	Significantly lower
Morale	5.5	419	5.2	335	Significantly lower

Prior to formal publication of the Staff Survey, the results were shared with the Executive Leadership Team (ELT) and there has been a Leadership Group Forum, Staff Insights Briefing, and dedicated Board Seminar aimed at identifying the key areas that need to be addressed at the Trust.

Our Trust People Plan incorporates the results of last year's survey. The results have not changed substantially in terms of areas of focus but have deteriorated in some parts.

It is acknowledged that there is a significant amount of work to be done to make the Trust a great place to work and learn and this will be the focus of our plans for the next year. There is an inordinate amount of positive work throughout teams and the Trust and there have been several initiatives that have been launched to seek to address staff engagement and to improve the experience of staff in the organisation. Deep dives with each department on their own staff survey results are being held to support teams with individualised staff survey action plans, and a staff engagement plan will be implemented this year with oversight from a newly formed Staff Engagement Group.

Our Local and National Role

For a provider of our size in the NHS, we have extremely diverse contracting arrangements for the services we deliver, reflecting the range of our services, the local and national reach of many of these and our range of commissioners. In particular, what makes us unique is that we are also a major provider of education and training (across many of the clinical services we provide) - providing a range of courses and educational programmes, ranging from CPD through to professional doctorates.

We provide a range of services to our local population in Camden, where we are the largest children and young people services provider in the borough, and we also are contracted to provide a range of adult specialist and primary care services locally.

Building on our rich history, we also deliver a number of nationally commissioned specialist services which include our gender services and the Portman Clinic. The provision of national gender services for children and young people was independently reviewed during the year and we have been supporting the national planning for the implementation of the recommendations of the review during 2023/24.

Commercial Partnerships and Ventures

Due to the size of our organisation, working in partnership is core to both our current activities and future opportunities. We have in place a range of partnership arrangements with a wide range of organisations, from smaller charitable organisations to other NHS Trusts and Higher Education and other education and training providers, supported by robust partnership management, oversight and assurance processes.

The changing health and social care landscape marks a shift away from the previous focus of competition, towards a new model of collaboration, partnership, and integration across the NHS, Local Government, and wider system partners. With the formalisation of ICSs and associated governance arrangements including ICBs, we are seeing a shift towards ICS-wide collaborative approaches to addressing the needs of our local population through collective service planning. Over the next few years, as commissioning of specialised services is delegated to ICSs (apart from a small number of services that will remain commissioned nationally) through a phased approach, we expect that the relevance of our relationships across the ICS will increase.

Development of partnerships will be a key part of our forward strategy: partnerships across North Central London as described above, with national commissioners in further development of specialised and health education services, and internationally – through expansion of our education and training services overseas.

Indeed, the development of a new strategy for the Trust will require us to explore new partnerships across the NHS and education sectors to enable innovation in services, market access, improved and streamlined operations and opportunities for workforce development.

We are committed to growth, alongside continuous improvement, as part of the Trust's future strategy and our combination of innovation, inclusivity, excellence in care, and empowering

education makes us an ideal partner with a unique set of assets and capabilities to engage across the NHS, education, local government, and beyond to address the complex health and wider social challenges we face as a country.

North Central London Integrated Care System

Whilst being a specialist provider with a national role, we play an active part in our local system – the NCL ICS. Throughout the year we have actively contributed to the work of the system and provide leadership for CAMHS services development. As we develop our future strategy, we will be integrating and aligning this with the Joint Forward Plan under development with partners across North Central London.

2022/23 saw the Trust enter a level of enhanced oversight from the NCL ICB and NHSE due to their assessment of a range of service performance and financial challenges and risks to future services and organisational sustainability. This oversight has supported our focus and development in a number of priority areas of service performance alongside Trust capability development including our governance and leadership arrangements. The oversight arrangements have continued to develop to reflect our on-going improvement.

Payment Practice

Better payment practice code				
Measure of compliance	Year ended 31 March 2022		Year ended 31 March 2023	
	Number	Value	Number	Value
Total bills paid in the year	5,088	28,014	6,365	33,479
- Of which were NHS invoices	172	1,531	185	1,985
- Of which were non-NHS invoices	4916	26,483	6,180	31,494
Total bills paid within target	4,580	27,390	5,787	32,709
- Of which were NHS invoices	135	1,414	124	1,811
- Of which were non-NHS invoices	4,445	25,976	5,663	30,898
Percentage of bills paid within target	90%	98%	91%	98%
Percentage of NHS invoices paid within 30 days	79%	92%	67%	91%
Percentage of non-NHS invoices paid within 30 days	90%	98%	92%	98%

The Trust complies with the requirement of the better payment practice code to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. Performance against the code is set out in the table above.

Statutory Disclosures

The Trust meets the requirement of Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) which 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 other purposes. For full details see Note 3.1 to the Annual Accounts.

Surpluses from other income that the Trust has received have been used to support the provision of goods and services for the purposes of the health service in England.

The Directors confirm that the Trust complies with the cost allocation and charging guidance issued by HM Treasury.

The Directors are responsible for the preparation of the annual report and accounts. The Directors also consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for service users, regulators and stakeholders to assess our performance, business model and strategy.

Signature:

A handwritten signature in dark ink, appearing to read 'Michael Holland', with a long horizontal flourish extending to the right.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Remuneration Report

Trust Chair's Annual Statement on Remuneration

As the Chair of the Executive Appointments and Remuneration Committee (the EARC), I am pleased to present our remuneration report for 2022/23.

Each year the relevant pay review bodies make recommendations to government on the pay of health service-related public sector staff, including increases to reflect the cost of living. Very Senior Manager (VSM) and Executive Senior Manager (ESM) staff groups have for the last two years come under the remit of the Senior Salaries Review Body (SSRB).

The SSRB was asked to make recommendations for VSMs and ESMs working in provider Trusts, ICBs and arm's length bodies, and government has accepted these in full. These pay awards, accepted by the national review bodies in relation to the 2022-23 pay award, were subsequently agreed by the EARC and no additional discretionary payments were applied.

Having undertaken appropriate benchmarking using comprehensive data from NHS Providers, EARC agreed that there should be no further changes to Executive Director salaries or remuneration arrangements.

Signature:



John Lawlor OBE
**Trust Chair and Chair of the Executive
Appointments and Remuneration Committee**

Date: 28 June 2023

Remuneration Policy Report – 2022/23

SENIOR MANAGERS' REMUNERATION POLICY

Remuneration for the Trust's most senior managers (Executive Directors who are members and regular attendees of the Board of Directors) is determined by the Executive Appointment and Remuneration Committee (EARC), which consists of the Trust Chair and all Non-Executive Directors. Senior managers who do not attend meetings of the Board of Directors have their remuneration determined by the Chief Executive Officer.

The (EARC) is also responsible for ratifying any performance related pay scheme for all senior managers.

Salaries for Senior managers are established and maintained taking the following factors in to account: the role requirements, experience of the individual; actual performance in post; and benchmarking data from the NHS Providers annual salary survey.

Senior managers are employed on substantive, open ended contracts of employment and are employees of the Trust. Their open-ended contracts may be terminated by either party giving three months' notice.

The Trust's normal employment procedures apply to Directors, including the sanction of instant dismissal for gross misconduct. The Trust's redundancy policy is consistent with the NHS redundancy terms for all staff.

There have been no circumstances in the financial year where senior manager remuneration has been withdrawn or withheld.

FUTURE POLICY TABLE FOR SENIOR MANAGERS

Salary	
Purpose and link to strategy	Executive directors are set annual performance objectives aligned to our trust strategy and priorities and lead on the delivery of divisional business plans structured around the same priorities.
Operation	Executive directors are on spot salaries, which are agreed upon appointment, and which consider the market rate for the position, complexity of scope and existing salary of the individual. Salaries are reviewed annually by the remuneration committee; the SSRB recommendations are considered as well as the performance of the individual as assessed in their appraisal.
Opportunity	Executive directors are paid a flat salary that is not linked to performance outcomes. Based on performance and benchmarking decisions are made by members of the Remuneration Committee in respect of the potential for annual pay awards.
Performance measures	Executive directors along with all staff are assessed against both what they achieve (objectives) and how they achieve it (values and behaviours) as part of their annual appraisal.

DIFFERENCES BETWEEN REMUNERATION FOR SENIOR MANAGERS AND OTHER STAFF

The key difference between the remuneration of Executive Directors and other staff is that salaries for senior staff are a fixed personal salary determined by conducting cross market and skills benchmarking. All other staff are employed on terms and conditions determined nationally and which have a salary scale assigned to it.

Another difference is that Senior managers' fixed salaries are inclusive of a high-cost area supplement, ordinarily payable to staff based in inner London. All other staff receive this as a separate pay element.

The EARC references national cost of living awards when considering its annual pay awards to directors.

STATEMENT OF CONSIDERATION OF EMPLOYMENT CONDITIONS ELSEWHERE IN THE TAVISTOCK AND PORTMAN NHS FOUNDATION TRUST

The EARC references national cost of living awards when considering its annual pay awards to Directors.

The Trust does not consult with its wider workforce on Senior manager remuneration.

Remuneration comparisons of similar Trusts as well as the specific complexity of roles being undertaken were taken into account when setting the remuneration policy for Senior managers.

ANNUAL REPORT ON NON-EXECUTIVE DIRECTORS' REMUNERATION

The remuneration and expenses of the Trust Chair and Non-Executive Directors are determined by the Council of Governors' Nominations Committee. The Committee takes account of guidance issued by NHS Providers when determining Non-Executive remuneration and expenses.

Remuneration of the Non-Executive Directors comprises of the following fee elements.



The policy for determining the level of fee is described in the table below.

	Fee	Responsibility fees
Purpose and link to strategy	To provide core reward for the role.	The fee is applied to office holders who: <ul style="list-style-type: none"> - Chair the audit committee; and, - Act as the senior independent director.
Operation	The fee levels are a set rate for all of the non-executive directors. There are two types of fee in operation, one for the Trust chair and another for the non-executive directors. Non-executive director fees are aligned to the NHSE framework fees structure.	The Trust chair nominates office holders to fulfil the two roles where fees are applicable. The council of governors is responsible for ratifying the appointments.
Opportunity	The fees are reviewed annually by the nominations committee. These are set against the role requirements and not the office holder fulfilling the appointment.	The fees are reviewed annually by the nominations committee. These are set against the role requirements and not the office holder fulfilling the appointment.
Performance measures	There are no performance measures set against the fees.	There are no performance measures set against the fees.

EXECUTIVE APPOINTMENTS AND REMUNERATION COMMITTEE

The Executive Appointments and Remuneration Committee is responsible for determining the remuneration, terms and conditions of all Board attending directors. The Committee is chaired by the Trust Chair and all Non-Executive Directors are members. During the period 1 April 2022 to 31 March 2023 the Committee met four times, each meeting being quorate.

Executive Appointments and Remuneration Committee membership and attendance		
Member	Notes	Actual / possible
John Lawlor	Joined Jun-22	3/3
Paul Burstow	Left Jun-22	1/1
Deborah Colson		3/4
David Holt	Left Oct-22	2/3
David Levenson		3/4
Helen Farrow	Left Oct-22	2/3
Aruna Mehta		4/4
Shalini Sequeira		3/4
Janusz Jankowski		1/1
Sal Jarvis		0/1
Claire Johnston		1/1
Sabrina Phillips		1/1

The Chief Executive Officer and other officers may be required to attend Committee meetings by invitation to provide advice or services that materially assist the Committee in the operation of its functions. Executive Directors and other Committee attendees are not involved in any decisions and are not present at any discussions regarding their own remuneration.

MEDIAN REMUNERATION AND FAIR MULTIPLE

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 £192,500 (2021/22, £157,750). This is a change between years of 22%. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2022/23 was from £190 to £192,500 (2021/22: £240 to £157,750). 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 4%. No employees received remuneration in excess of the highest-paid director in 2022-23.

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.

During 2022/23, we have experienced an increase in the number of assignments for agency staff compared to 2021/22, resulting in an 11% increase in the 25th percentile ratio; and a 15% increase in the median ratio. In addition, the appointment of a new Chief Executive Officer in November 2022 has resulted in an increase in the Chief Executive Officer's remuneration.

Median and 25th/75th percentile remuneration and fair pay multiple			
	31-Mar-22	31-Mar-23	% change
Salary component of pay	£38,767,500	£40,332,500	4%
Mid-banded Highest paid director's total remuneration	£157,500	£192,500	22%
25th Salary component of pay	£32,306	£35,572	10%
25th percentile total remuneration	£32,306	£35,572	10%
25th percentile ratio	4.88	5.41	11%
Median Salary component of pay	£46,795	£49,898	7%
Median total remuneration	£46,795	£49,898	7%
Median ratio	3.37	3.86	15%
75th Salary component of pay	£61,375	£58,919	-4%
75th percentile total remuneration	£61,375	£58,919	-4%
75th percentile ratio	2.57	3.27	27%

SERVICE CONTRACTS

The following table contains details of the service contracts in place during 2022/23 for Senior managers:

Service contracts – Senior Managers			
Senior manager	Date of service appointment	Unexpired term	Notice period
Michael Holland	Nov 2022	Open ended	Six months
Terry Noys	Oct 2016	One month (to 31/07/23)	Three months
Sally Hodges	Nov 2015	Open ended	Three months
Gemma Davies	Jan 2023	Seven months (to 31/01/24)	Three months
Caroline McKenna	Jun 2022	Two months (to 31/08/23)	Three months
Elisa Reyes-Simpson	Jun 2022	Two months (to 31/08/23)	Three months
Jenny Goodridge	May 2022	One month (to 31/07/23)	Three months
Paul Jenkins	Feb 2014	Left Sep 2022	Three months
Brian Rock	Jan 2015	Left Jul 2022	Three months
Dinesh Sinha	Aug 2018	Left Jun 2022	Three months
Christine Caldwell	Nov 2016	Left May 2022	Three months

Appointment contracts – Non-Executive Directors			
Senior manager	Date of service appointment	Unexpired term	Notice period
John Lawlor	June 2022	One year (to 05/06/24)	Three months
Paul Burstow	Oct 2015	Term ended Jun 2022	nil
David Holt	Nov 2014	Term ended Oct 2022	nil
Deborah Colson	Oct 2017	Nine months (to 30/03/24)	Three months
Helen Farrow	Nov 2016	Term ended Oct 2022	nil
David Levenson	Sep 2019	Two years, two months (to 31/08/25)	Three months
Aruna Mehta	Nov 2021	One year, four months (to 31/10/24)	Three months
Shalini Sequeira	Nov 2021	One year, four months (to 31/10/24)	Three months
Janusz Jankowski	Nov 2022	Two years, four months (to 31/10/25)	Three months
Claire Johnston	Nov 2022	Two years, four months (to 31/10/25)	Three months
Sal Jarvis	Nov 2022	Two years, four months (to 31/10/25)	Three months
Sabrina Phillips	Nov 2022	Two years, four months (to 31/10/25)	Three months

EXPENSES

The following table outlines the details of travel and subsistence expenses claimed by our Council of Governor members and Senior managers.

Expenses claims	2021/22		2022/23	
	Number claimed	value	Number claimed	Value
Council of Governors	0	£0	0	£0
Senior managers	4	£229.23	4	£3,780.67

SALARY AND BENEFITS OF SENIOR MANAGERS

The following tables contain details of the salary and benefits of the Trust's Senior managers in 2022/23.

There was no Senior manager in 2022/23 who received remuneration of greater than £150,000.

The calculation is based on full-time equivalent staff working for the Trust on 31 March 2023. Where staff joined part way during the year, their salaries have been annualised for the purposes of the median ratio calculation.

Information subject to audit
SINGLE TOTAL REMUNERATION FIGURE 2022/23

Name	Title	Notes	Salary and fees	Taxable Benefits	Annual performance-related bonuses	Long-term performance-related bonuses	Pension-related benefits	Total Remuneration
			£000, bands of £5k	£0, to the nearest £100	£000, bands of £5k	£000, bands of £5k	£000, bands of £2.5k	£000, bands of £5k
Holland, M	Chief Executive Officer	From Nov-22	75-80	NIL	NIL	NIL	42.5-45	115-120
Jenkins, P	Chief Executive Officer	Left Sep-22	80-85	NIL	NIL	NIL	NIL	80-85
Noys, T	Chief Finance Officer		130-135	NIL	NIL	NIL	32.5-35	160-165
*Caldwell, C	Director of Nursing	Left May-22	15-20	NIL	NIL	NIL	NIL	15-20
Rock, B	Director of Education & Training and Dean of Postgraduate	Left Jul- 22	30-35	NIL	NIL	NIL	NIL	30-35
Sinha, D	Medical Director and Director of Quality	Left Jul- 22	30-35	NIL	NIL	NIL	35-37.5	70-75
Hodges, S	Deputy CEO and Chief Clinical Operating Officer		130-135	NIL	NIL	NIL	160-162.5	290-295
Reyes-Simpson, E	Interim Chief Education & Training Officer	From Jun-22	115-120	NIL	NIL	NIL	167.5-170	285-290
*McKenna, C	Interim Chief Medical Officer	From Jun-22	135-140	NIL	NIL	NIL	NIL	135-140
Davies, G	Chief People Officer	From Feb-23	15-20	NIL	NIL	NIL	5-7.5	20-25
Lawlor, J	Non-Executive Director	From Jun-22	60-65	NIL	NIL	NIL	NIL	45-50
Burstow, P	Non-Executive Director	Left Jun-22	5-10	NIL	NIL	NIL	NIL	5-10
Colson, D	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Jankowski, J	Non-Executive Director	From Nov-22	5-10	NIL	NIL	NIL	NIL	5-10
Jarvis, S	Non-Executive Director	From Nov-22	0-5	NIL	NIL	NIL	NIL	0-5
Johnston, C	Non-Executive Director	From Nov-22	5-10	NIL	NIL	NIL	NIL	5-10
Levenson, D	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Mehta, A	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Phillips, S	Associate, Non-Executive Director	From Nov-22	0-5	NIL	NIL	NIL	NIL	0-5
Sequeira, S	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Holt, D	Non-Executive Director	Left Oct-22	5-10	NIL	NIL	NIL	NIL	5-10
Farrow, H	Non-Executive Director	Left Oct-22	10-15	NIL	NIL	NIL	NIL	10-15

Note: *Caroline McKenna's and Christine Caldwell's total remuneration figures include remuneration for clinical responsibilities in addition to management.

SINGLE TOTAL REMUNERATION FIGURE 2021/22

Name	Title	Notes	Salary and fees	Taxable Benefits	Annual performance-related bonuses	Long-term performance-related bonuses	Pension-related benefits	Total Remuneration
			£000, bands of £5k	£0, to the nearest £100	£000, bands of £5k	£000, bands of £5k	£000, bands of £2.5k	£000, bands of £5k
Jenkins, P	Chief Executive		155-160	NIL	NIL	NIL	40-42.5	200-205
Noys, T	Deputy Chief Executive and Director of Finance		125-130	NIL	NIL	NIL	30-32.5	155-160
Caldwell, C	Director of Nursing and System Workforce Development	Left May-22	125-130	NIL	NIL	NIL	102.5-105	230-235
Rock, B	Director of Education and Training and Dean of Postgraduate Studies	Left Jul-22	115-120	NIL	NIL	NIL	27.5-30	145-150
Sinha, D	Medical Director	Left Jun-22	145-150	NIL	NIL	NIL	215-217.5	365-370
Hodges, S	Clinical Chief Operating Officer		120-125	NIL	NIL	NIL	27.5-30	145-150
Hugh Jon, R	Director of Information Management & Technology		110-115	NIL	NIL	NIL	25-27.5	135-140
Chowdhury, U	Director of Financial Operations		85-90	NIL	NIL	NIL	22.5-25	110-115
Thomas, Laure C	Director of Marketing & Communications		80-85	NIL	NIL	NIL	20-22.5	100-105
Tegerdine, I	Interim Director of Human Resources		115-120	NIL	NIL	NIL	55-57.5	170-175
Robinson, H	Interim Director of Corporate Governance	Left May-22	50-55	NIL	NIL	NIL	10-12.5	65-70
De Sousa, C	Director of Human Resources and Corporate Governance	Left Aug-21	30-35	NIL	NIL	NIL	NIL	30-35
Burstow, P	Chairman	Left Jun-22	5-10	NIL	NIL	NIL	NIL	5-10
Farrow, H	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Holt, D	Non-Executive Director		15-20	NIL	NIL	NIL	NIL	15-20
Levenson D	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15
Bhugra, D	Non-Executive Director	Left Sep-21	5-10	NIL	NIL	NIL	NIL	5-10
Mehta, A	Non-Executive Director	Joined Nov-21	5-10	NIL	NIL	NIL	NIL	5-10
Sequeira, S	Non-Executive Director	Joined Nov-21	5-10	NIL	NIL	NIL	NIL	5-10
Colson, D	Non-Executive Director		10-15	NIL	NIL	NIL	NIL	10-15

Information subject to audit
SALARY AND PENSION ENTITLEMENT 2022/2023

Name	Title	Notes	Real Increase in Pension at Pension age (bands of £2500)	Real Increase in pension lump sum at Pension age (bands of £2500)	Total accrued pension at pension age 31 March 2023 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2023 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2022	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2023
			£000	£000	£000	£000	£000	£000	£000
Holland, M	Chief Executive Officer	From Nov-22	2.5-5.0	2.5-5.0	65-70	135-140	1138	41	1261
Jenkins, P	Chief Executive Officer	Left Sep-22	NIL	NIL	60-65	115-120	1374	NIL	NIL
Noys, T	Deputy CEO & Director of Finance		2.5-5.0	NIL	15-20	NIL	217	31	266
Caldwell, C	Director of Nursing	Left May-22	0-2.5	NIL	40-45	20-25	640	2	656
Rock, B	Director of Education & Training and Dean of Postgraduate	Left Jul-22	NIL	NIL	25-30	60-65	745	NIL	NIL
Sinha, D	Medical Director and Director of Quality	Left Jun-22	0-2.5	2.5-5.0	50-55	105-110	775	31	924
Hodges, S	Deputy CEO and Chief Clinical Operating Officer		7.5-10	15-17.5	45-50	100-105	740	150	909
Reyes-Simpson, E	Interim Chief Education and Training Officer	From Jun-22	12.5-15	27.5-30	40-45	110-115	26	10	69
McKenna, C	Interim Chief Medical Officer	From Jun-22	0-2.5	NIL	60-65	165-170	1443	NIL	74
Davies, G	Chief People Officer	From Feb-23	0-2.5	0-2.5	25-30	45-50	379	4	416

Note: Non-Executive Directors do not receive pensionable remuneration so there are no entries in respect of pension-related benefits.

SALARY AND PENSION ENTITLEMENT 2021/22

Name	Title	Real Increase in Pension at Pension age (bands of £2500)	Real Increase in pension lump sum at Pension age (bands of £2500)	Total accrued pension at pension age 31 March 2022 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2022	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2022
		£000	£000	£000	£000	£000	£000	£000
Jenkins, P	Chief Executive	2.5-5.0	0-2.5	60-65	115-120	1271	39	1333
Noys, T	Deputy Chief Executive and Director of Finance	0-2.5	0-2.5	10-15	0-5	168	24	210
Caldwell, C	Director of Nursing	5.0-7.5	2.5-5.0	35-40	20-25	525	77	620
Rock, R	Director of Education and Training and Dean of Postgraduate Studies	0-2.5	0-2.5	35-40	65-70	685	21	722
Sinha, D	Medical Director	10-12.5	20-22.5	40-45	90-95	562	164	752
Hodges, S	Children, Young Adults and Families Director (CYAF)	0-2.5	0-2.5	35-40	80-85	682	18	718
Jon Rex, H	Director of Information Management & Technology	0-2.5	0-2.5	10-15	25-30	236	18	270
Chowdhury, U	Director of Financial Operations	0-2.5	0-2.5	5-10	0-5	79	11	101
Thomas, L	Director of Communications & Marketing	0-2.5	0-2.5	10-15	0-5	93	7	111
Tegerdine, I	Interim Director of Human Resources	2.5-5.0	2.5-5.0	40-45	100-105	851	48	914
Robinson, H	Interim Director of Corporate Governance	0-2.5	0-2.5	0-5	10-15	89	8	104
De Sousa, C	Director of Human Resources	NIL	0-2.5	10-15	35-40	221	4	230

Note: Non-Executive Directors do not receive pensionable remuneration so there are no entries in respect of pension -related benefits.

PAYMENTS FOR LOSS OF OFFICE AND PAST SENIOR MANAGERS

There were no payments for loss of office to any Senior manager nor were there any payments to any past Senior managers in this financial year.

Signature:

A handwritten signature in brown ink, appearing to read "MHolland", written in a cursive style.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Staff Report

STAFF NUMBERS AND COSTS

The following tables present an overview of our workforce composition.

Average number of employees
(WTE basis)

	Permanent Number	Other Number	2022/23 Total Number	2021/22 Total Number
Medical and dental	78	-	78	77
Ambulance	-	-	-	-
Administration and estates	261	42	303	320
Healthcare assistants and other support	-	-	-	-
Nursing, midwifery and health visiting	18	-	18	20
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical	182	20	202	230
Healthcare science	-	-	-	-
Social care	38	-	38	32
Other	-	-	-	-
Total average numbers	577	62	639	679

Of which:

Number of employees (WTE) engaged on capital projects	-	-	0	5
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Headcount by sex				
Sex	Directors	Other senior managers	All other staff	Total
Female	9	5	611	625
Male	5	2	186	193
Total	14	7	797	818

Staff costs

	Permanent £000	Other £000	2022/23 Total £000	2021/22 Total £000
Salaries and wages	36,123	-	36,123	36,820
Social security costs	4,285	-	4,285	4,062
Apprenticeship levy	160	-	160	174
Employer's contributions to NHS pension scheme	6,336	-	6,336	6,023
Pension cost - other	21	-	21	22
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	1,655
Temporary staff	-	4,402	4,402	2,105
Total gross staff costs	46,925	4,402	51,327	50,861
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	46,925	4,402	51,327	50,861

Sickness absence data	Q1	Q2	Q3	Q4
Sickness absence – average monthly data	2.27%	3.57%	1.31%	0.59%
Sickness absence – average 12-month period	1.92%	2.21%	1.82%	1.76%

COMMUNICATION WITH STAFF

The Trust is committed to ensuring that all staff are informed and can contribute to key developments, performance and change across the organisation.

The Trust places a lot of importance on communicating and consulting with staff. Since the last annual report, we have established 'Future Direction' sessions where staff from across the organisation meet with our Executive Leadership Team to describe what inspires or frustrates them. We also run regular 'In Sight' webinars where key staff and senior leaders introduce important current topics, and our entire staff body can ask questions. We circulate weekly email bulletins to all staff; a regular digital staff magazine; and we have an extensive intranet where staff can find policies, procedures, guidance, and useful online tools.

We work in partnership with our staff side representatives to ensure that employees' voices are heard.

Freedom to Speak-up Guardian

The Trust takes raising concerns very seriously. Sarah Stenlake is the Trust Freedom to Speak up Guardian (FTSUG). Sarah is a senior psychologist at the GIC.

The FTSUG undertakes a number of activities to promote the purpose of the role, which includes information from our various communications channels and giving presentations and talks at our mandatory training update sessions. A review of the Trust's Raising Concerns and Whistleblowing procedure has been undertaken and the associated policy has been revised with a new flowchart appended. This policy includes regular communications, information on how to access the FTSUG, and the process and feedback following investigation.

The Chief Executive Officer and the Chief People Officer meet regularly with the FTSUG to ensure that there is ongoing dialogue about the concerns staff are raising and to enable appropriate actions to be taken to address the concerns. The Chief People Officer also meets regularly with the NED Freedom to Speak Up Champion, to ensure open and transparent oversight of concerns.

Equality, Diversity and Inclusion

The Trust has constituted a specialist interest sub-committee of the Board to oversee and seek assurance on our Equality, Diversity and Inclusion (EDI) agenda. Throughout the year the committee has overseen several activities and programmes of work.

To add further development to the current work being carried out, the Trust appointed an EDI lead. Reporting to the Chief People Officer, this role plays an integral part in reviewing, developing and implementing the Trust EDI strategy, workforce equality strategy and related streams, including the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standards (WDES), Gender Pay Gap (GPG), annual equality report (workforce) and other equality benchmarking / improvement frameworks.

A review of race equality was commissioned at the end of the last reporting year. This led to the releasing of a public statement about the Trust's commitment to becoming an anti-racist organisation. Three key deliverable outcomes have been identified as central to achieving the desired culture change:

- Workforce Composition and Career Progression
- Bullying, Harassment and Abuse
- Non-Inclusive Culture and Discrimination

The Trust is developing Leadership and Management Training and has commissioned an external consultant to support efforts to 'Debias Workforce Life Cycle' and develop an inclusive Talent Management pipeline. This will benefit all protected characteristics.

The Trust continues to support and value the role of staff networks. All staff networks have been allocated an Executive Sponsor to raise their profile and ensure connection to the Board. The staff network maturity framework has been introduced; all staff networks are working towards having elected chairs by the end of June 2023.

Safe Working Environment

Health and Safety of our staff is of paramount importance, and we continue to invest time and consideration in this area, not just in terms of statutory duties but much more widely, focusing on the mental health and wellbeing of our staff. As host of the NCL wellbeing hub, our staff have access to a number of invaluable health and wellbeing resources.

We have trained and have registered a number of mental health first aiders whose role is to provide staff with a contact point when they need to discuss what support is available to them. The individuals' details are held on our Trust intranet and staff can access support from the best placed person.

We use new staff engagement mechanisms to further understand what we can do to help staff feel safe and supported at work.

Trade Union Facility Time

We have excellent working relationships with our trade union colleagues and collaborate on many work programmes. This approach has been longstanding, and we continue to develop our working arrangements so that we can respond to change quickly and ensure that staff are supported. The tables below fulfil our disclosure as per the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	2.25

Percentage of time spent on facility time	Number of employees
0%	0
1-50%	3
51%-99%	0
100%	0

Percentage of pay bill spent on facility time	Figures
Total cost of facility time	£18,760
Total pay bill	£46,925,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.04%

Paid trade union activities	
Total hours spent on trade union activities by relevant union officials during the relevant period	70
Total paid facility time hours	875
Total hours spent on paid trade union activities by relevant trade union officials (%)	8%

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:
8%
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

Occupational Health and Wellbeing

Throughout the year, we continued our focus on health and wellbeing and have taken a number of steps to implement a range of programmes that aim to support our staff to make healthy lifestyle choices. Following a large amount of work in previous years we continue to offer:

- A cycle to work scheme.
- A staff walking challenge.
- Healthier food options in our canteen.
- Access to an NHS gym and fitness centre.
- Fast track physiotherapy services.

In addition to all of the above, we have a number of other channels through which staff seek support when needed, these include through our HR team; our internal staff consultation service; the NCL wellbeing hub, the occupational health and wellbeing service which is provided by the TP Health; and our confidential employee assistance programme provided by CareFirst.

Staff Exit Packages

During 2022/23, all exit packages paid to staff were the result of a compulsory redundancy. These were made in line with the individual's terms and conditions of service. Compared to the 2021/22, we saw an increase in the total number of exit packages due to the conclusion of the Strategic Review. The table below provides comparative data for 2021/22 and 2022/23.

Staff Exit Packages Comparative Information:

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number	Number	Number	Number
	2021/22			2022/23		
<£10,000	2	-	2	10	-	10
£10,000 - £25,000	4	-	4	11	-	11
£25,001 - 50,000	-	-	-	6	-	6
£50,001 - £100,000	1	-	1	2	-	2
£100,001 - £150,000	1	-	1	1	-	1
£150,001 - £200,000	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-
Total number of exit packages by type	-	-	-	-	-	-
Total cost (£)	£263k	-	£263k	£684K	-	£684k

Note: There have been no voluntary redundancies or mutually agreed resignation schemes for the 2021/2022 and 2022/2023.

Staff Turnover

Information on staff turnover for The Tavistock and Portman NHS Foundation Trust can be found by following this link to [NHS workforce statistics](#).

Staff Agency Expenditure

The Trust has a temporary staffing procedure which sets controls on how and when agency staff can be engaged within the organisation.

In 2021/22 and 2022/23 the expenditure ceiling set by NHSE was suspended. During 2022/23, total agency spend was £3,438k (2021/22: £1,984k).

OFF-PAYROLL ENGAGEMENTS

The Trust has a policy that all substantive staff are paid through the payroll. No Board member or senior officials with significant financial responsibility were engaged on an off-payroll basis in 2022/23.

The Trust has needed to engage a number of contractors to support specialist assignments. The number of contractors engaged is shown in the tables below where daily rates exceed £245 per day and the engagement has lasted longer than six months.

On 6 April 2017, public bodies became responsible for collecting tax from those contractors subject to HMRC's IR35 rules. All contractors are subject to a review to determine whether they are affected by the new rules. All the existing engagements outlined have been subject to an assessment and consequently no further assurance was sought.

HIGH PAID OFF-PAYROLL ENGAGEMENTS

During the reporting period, there were no board members or senior officials with significant financial responsibility paid via off-payroll arrangements.

The following tables outline all other off payroll paid arrangements.

For all off-payroll engagements as of 31 March 2023, for more than £245 per day and that last for longer than 6 months:	
No. of existing engagements as of 31 st March 2023	11
Of which:	
No. of new engagements	5
No. that have existed for less than one year at time of reporting.	5
No. that have existed for between one and two years at time of reporting.	3
No. that have existed for between two and three years at time of reporting.	1
No. that have existed for between three and four years at time of reporting.	1
No. that have existed for four or more years at time of reporting.	1

For all new off-payroll new engagements, or those that reached six months in duration, between 1 April 2022 and 31 March 2023, for more than £245 per day and lasted longer than 6 months:	
Of which:	
No. assessed as within the scope of IR35	2

Number assessed as not within the scope of IR35	6
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

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023	
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	22

EXPENDITURE ON CONSULTANCY

The Trust's expenditure on consultancy in 2022/23 was £1,184k. This was an increase of £6k from £1,178k in 2021/22. The 2022/23 expenditure included costs incurred as part of the CareNotes recovery; Estates Strategy and supporting the Strategic Review.

Governance Disclosures

Our Governors play an important and active role in our work. We also benefit from a strong Board of Directors, whose wide-ranging experience underpins the Trust's improvement trajectory.

Council of Governors

The Council of Governors (Council) continue to play a vital part in the work of the Trust. In 2022/23 we welcomed eight new members following a round of elections. We also ratified a revised version of the Trust's constitution.

The Council has a number of statutory duties including canvassing the opinions of members; appointing the Trust Chair and Non-Executive Directors; ratifying the appointment of the Chief Executive; and appointing the external auditors. The Council holds Non-Executive Directors to account individually and collectively for the performance of the Board of Directors. The Council also receives the Trust's annual report and accounts and the auditor's report at the annual general meeting.

We actively involve our Council members in a number of ways, including allowing them to observe some of the Board sub-committees and operational groups. We also ensure that they are consulted and can contribute to our strategic objectives and plans which is achieved through information sharing and discussions within public and private council meetings.

During 2022/23, the Council approved the re-appointment for four of our Non-Executive Directors through the Nominations Committee, chaired by the Trust Chair.

The Trust's constitution requires a Council of Governors composition of 23 Governors in total. The Council of Governors held four meetings in total during 2022/23.

Council attendance records – Public governors		
Name	Elected from	Actual / possible attendance
Freda McEwen	Nov 2019 - Nov 2022	1/4
Sheena Bolland	Dec 2021	4/4
Julian Lousada	Oct 2021	4/4
Michael Arhin-Acquaah	Oct 2021	1/4
Michelle Morais	Oct 2021	3/4
Richard Murray	Nov 2019 - Nov 2022	2/4
Kenyah Nyameche	Oct 2021	3/4
Michael Rustin	Oct 2021	4/4
Natalia Barry	May 2022	2/4
Ffiona Dawber	May 2022	3/4
Jocelyn Cornwell	Dec 2022	0/2
Stephen Frosh	Dec 2022	1/2
Sebastian Kraemer	Dec 2022	1/2

Council attendance records – Staff and student governors		
Name	Elected from	Actual / possible attendance
Jessica Anglin d'Christian	Nov 2021(2 nd term)	2/4
Badri Houshidar	Oct 2019-Nov 2022	2/4
Maisam Dato	Dec 2022	1/2
Paru Jeram	Dec 2021	3/4
Katherine Knight	May 2022	2/4

Council attendance records – Appointed governors		
Name	Appointed from	Actual / possible attendance
Local Authority*		
Peter Ptashko (London Borough of Camden)	Mar 2022	4/4
Partnership Organisations		

Council attendance records – Appointed governors		
Name	Appointed from	Actual / possible attendance
Kathy Elliott (Voluntary Action Camden)	Dec 2020	4/4
Prof David O'Mahony (University of Essex)	May 2021	1/4
Mrs Jane Perry (University of East London)*	Nov 2020-Nov 2022	1/4
Robert Waterson (University of East London)*	Dec 2022	1/2
Trade Union	1 vacancy	
Commissioners	2 vacancies	

*Mrs Jane Perry resigned and was replaced by Robert Waterson in December 2022

During the reporting period, Kathy Elliott held office as the Lead Governor.

Nominations Committee

The Nominations Committee makes recommendations to the Council of Governors on the appointment, remuneration and appraisal of the Trust Chair and Non-Executive Directors.

The Trust's constitution details the organisation's policy for Non-Executive Director terms of office. A Non-Executive Director may hold office for no more than seven years in total. The Nominations Committee's approach to awards of terms of office are ordinarily to offer an initial three-year term of office, which may be extended for a further term of three years, subject to satisfactory performance measured through the annual appraisal process for Non-Executive Directors. The Committee reserves the right to award a third and final term of office for one year if needed.

All Non-Executive Director appointments are made through a competitive recruitment process. The Committee does not have a policy to appoint directly outside of open competition.

Members of the Nominations Committee		
Name	Notes	Role
Paul Burstow	Left Jun-22	Chair
John Lawlor	Joined Jun-22	Chair
David Holt	Left Oct-22	Senior Independent Director
Kathy Elliot		Stakeholder Governor
Richard Murray	Left Nov-22	Public Governor
Jessica Anglin d'Christian		Staff Governor

Note: The Chief People Officer and Interim Director of Corporate Governance attend and support the Nominations Committee in an advisory capacity.

Our Membership

The Trust's membership is an essential and valuable asset. It helps guide our work, decision making and adherence to NHS values. It also provides one of the ways in which the Trust communicates with service users, the public and staff. There are four categories of members, as described below.

Public – Any resident within England or Wales is eligible to register as a member in this constituency. There are three sub-classes which are for members whose residence is within any ward within the London Borough of Camden, the rest of London and the rest of England and Wales.

Service Users and Service User Carers – Anyone who is aged 14 or over who has been a service user within the last five years. Carers who are not eligible for other categories are also offered membership in this class.

Staff – Employees whose contract means they can work for the Trust for at least a year.

Students – Any individual enrolled on to a course or programme that is set to last three years or longer.

The table below sets out our membership data:

Constituency	31 March 2019	31 March 2020	31 March 2021	31 March 2023
Public	6,406	6,495	6218	3783
Service user and service user carers	-	-	-	-
Staff	803	1370	1494	774
Students	-	-	2186	1973
Total	7,209	7,865	9,898	6530

Members receive mailings; are invited to the Trust's Annual Members' Meeting (AMM); and may attend public meetings of the Board of Directors and Council of Governors.

The Trust is in the process of developing a membership and engagement strategy so that it can actively engage with its membership. At the time of writing, the strategy was in draft, and it is planned for final sign off at the Council of Governors meeting during 2023/24.

Should a member wish to get in contact with a Council or Board member, details are provided on our public website on how to get in touch.

Board of Directors

Our Board of Directors comprises of the Trust Chair, seven Non-Executive directors and five voting Executive Directors. We have also engaged with NHSE's Non-Executive training (NExT) programme and host an Associate Non-Executive director on the Board.

During 2022/23, the Board also included a previous Chair, two Non-Executive Directors, a previous Chief Executive Officer and three Executive Directors who left the Trust during the year.

The Board's role is to:

- Set our overall strategic direction.
- Monitor performance against our strategic objectives.
- Provide effective financial stewardship.
- Ensure the Trust provides effective patient and student focused services.
- Ensure high standards of corporate governance and personal conduct.
- Promote effective dialogue between the Trust and the communities we serve.

Every three to four years the Board commissions an external effectiveness review. The most recent external review was undertaken in quarter three of 2021/22 and reported to the Board in January 2022.

A Fit and Proper Persons Requirement (FPPR) audit was conducted during 2022/23, and it confirmed the Board of Directors met the requirements of the FPPR. The Trust maintains a register of all interests that Directors and Governors hold and publish this on the organisation's [public website](#).

There have been no declarations of donations to political parties.

The Board of Directors' meeting attendance records are shown below:

Board of Directors attendance records			
Name	Title	Notes	Actual / possible attendance
Paul Burstow	Trust Chair	Left Jun-22	1/1
John Lawlor	Trust Chair	Joined Jun-22	4/4
David Holt	Senior Independent Director	Left Oct-22	2/3
Deborah Colson	Non-Executive Director		5/5
Helen Farrow	Non-Executive Director	Left Oct-22	3/3
David Levenson	Senior Independent Director		4/5
Aruna Mehta	Non-Executive Director		5/5
Shalini Sequeira	Non-Executive Director		4/5
Janusz Jankowski	Non-Executive Director	Joined Nov-22	2/2
Claire Johnston	Non-Executive Director	Joined Nov-22	2/2
Sal Jarvis	Non-Executive Director	Joined Nov-22	2/2
Sabrina Phillips	Associate Non-Executive Director	Joined Nov-22	2/2
Michael Holland	Chief Executive Officer	Appointed Nov-22	2/2
Terry Noys	Chief Finance Officer		5/5
Sally Hodges	Chief Clinical Operating Officer		5/5
Dinesh Sinha	Medical & Quality Director	Left Jun-22	0/2

Board of Directors attendance records			
Name	Title	Notes	Actual / possible attendance
Brian Rock	Chief Education & Training Officer	Left Jul-22	1/1
Caroline McKenna	Interim Chief Medical Officer	Appointed Jun-22	4/4
Elisa Reyes-Simpson	Interim Chief Education & Training Officer	Appointed Jun-22	3/4
Jenny Goodridge	Interim Nursing Officer	Appointed May-22	4/5
Gemma Davies	Chief People Officer	Appointed Feb-23	1/1

Biographies for the Board members can be found later in this report.

Performance evaluation is an integral component of our governance structures and is aligned to the NHSE well-led framework. Each year the Board assesses its effectiveness during formal meetings and through developmental seminars. No external Board review was commissioned during 2022/23. However, during 2022/23, the recommendations made in the Office for Modern Governance (OMG) review in 2021 were being implemented as part of the Integrated Governance Action Plan (IGAP) through a time limited Task and Finish Group and overseen by the Audit Committee.

During 2022/23, each of the Board sub-committees conducted annual effectiveness reviews and the terms of reference for the Committees were reviewed. The outcomes of the annual effectiveness reviews were reported to the Board along with the Annual report from each Board sub-committee in June 2023. Further details on our processes for performance evaluation, internal control and governance are detailed in the Annual Governance Statement.

The Board is not aware of any relevant audit information that has been withheld from the Trust's auditor. Members of the Board take all the necessary steps to make themselves aware of relevant information and to ensure that this is passed on to the external auditors where appropriate.

Membership is considered balanced, complete, and appropriate. The Trust has appointed a Senior Independent Director (SID) and this role is held by David Levenson. The Trust considers all of its Non-Executive Directors to be independent.

Balance and appropriateness of the Board of Directors

The balance of the Board of Directors is regularly reviewed. The Board of Directors conducted an Annual Board Skills Review in 2022/23. The review delivered directly towards the following key outcomes:

- Meeting the Trust Board's requirement to undertake an annual review.
- Establishing a validated Board skills, expertise and experience matrix.
- Identifying gaps in the skills, expertise and experience of the Board.
- Informing the Board Development Programme for 2023/24.
- Informing future recruitment/appointments to the Board.

A Board skills matrix was developed as part of the review. The use of the Board skills matrix has allowed the Board to confirm that it possessed an adequate level of coverage of the core board and specialist skills and experience. The Board identified its strengths to include performance management; strategic planning; people leadership, organisation and culture; risk management; stakeholder management; legal and governance; clinical/ medical; mental health services; and transformation and change/ programme management.

The table below provides a summary of the collective skills, expertise, and experience of the Board of Directors:

Key areas of skill/expertise/experience	Expert experience / knowledge	Good level experience / knowledge	Limited experience / knowledge	No meaningful experience / knowledge
Core Board Skills				
Strategic Planning	11	8	0	0
Financial Management /control and accounting	2	6	11	0
Quality Assurance/Improvement	5	10	4	0
People Leadership, organisation and culture	8	10	1	0
Health and Safety	0	8	11	0
Performance management	11	6	2	0
Risk Management/Audit	6	9	4	0
Technology/IT	1	13	5	0
Equality/diversity/Inclusion	5	14	0	0
Specialist Skills				
Legal and Governance	7	11	1	0
Higher Education	4	7	6	2
Clinical/Medical	7	3	7	2
Mental Health Services	6	6	7	0
Public Sector Knowledge	4	13	2	0
Remuneration and Pensions	1	4	11	3
Transformation and Change/Programme management	5	11	3	0
Regulation	2	10	6	1
Communications / Marketing	1	9	9	0
Stakeholder Management	8	10	1	0
Competitor/market analysis/ Stakeholder mapping	1	9	8	1

BOARD MEMBER PROFILES

Non-Executive Directors:



Paul Burstow - Trust Chair (until June 2022)

Professor Paul Burstow joined the Trust as Chair in November 2015 and was in his second term when he stood down on 3 June 2022

Paul has a portfolio of Non-Executive leadership roles including chair of the Social Care Institute for Excellence and Independent Chair of Hertfordshire and West Essex Integrated Care System.

Paul was previously a member of parliament from 1997 to 2015, where he served on the Health, Select and Public Accounts Committees, and worked cross party to secure debates and lobby Ministers on social care and health. From 2010 to 2012 he was the Minister of State for the Department of Health and led the development of the “No Health Without Mental Health” strategy.

Prior to serving as an MP, Paul was a Councillor for the London Borough of Sutton, and also served as first campaigns officer, and the CEO, of the Association of Liberal Democrat Councillors. His interest in population mental health has seen him acting as an adviser to the Stockholm Region in Sweden acting as a mentor on a WHO mental health leader’s programme.



John Lawlor, OBE - Trust Chair (Current)

John Lawlor joined the Trust on 6 June 2022. He is the former Chief Executive of Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust, which has been rated as 'outstanding' by the Care Quality Commission.

John has a long and distinguished career as a leader in the NHS, and also has early experiences in teaching and in the Department of Health. He is a passionate champion of mental health and disability services and a successful system leader.



Deborah Colson - Vice Chair

Dr Deborah Colson joined the Board as a Non-Executive Director in October 2017. Her second term of office was extended to March 2024. Dr Colson's background is in biomedical research management. Her last role was as Chief Scientific Officer on a child health study at the Institute of Child Health, University College London.

Before that she worked as a freelance science policy advisor, following nine years at the Wellcome Trust and seven years at the Medical Research Council.



Helen Farrow (Non-Executive Director until October 2022)

Helen Farrow joined the Board as a Non-Executive Director in November 2016. Her professional experience is in investment management, focused on business development and client service and she is currently a Managing Director at Manulife Investment Management. She is also a member of the Investment Committee of the Charities Aid Foundation.

She has five years of experience in the NHS as Non-Executive Director at the Royal National Orthopaedic Hospital, where she was vice-chair of the board and chair of the finance and performance committee.

Helen left the Trust in October 2022.



David Holt - Senior Independent Director (until October 2022)

David Holt joined the Board as a Non-Executive Director in November 2013.

He has experience of working across a wide range of sectors both in the UK and abroad, including spells at both Unilever and Coats Plc. Most recently, he was Finance Director of the retail division of Land Securities plc, which he left in 2014.

He is currently a Non-Executive Board Member at the Department for Work and Pensions, where he chairs the Audit and Risk Committee and is a Non-Executive with Ebbsfleet Development Corporation, where he is Deputy Chairman and chair of the audit committee.

David is a qualified accountant (Chartered Institute of Management Accountants).

David left the Trust in October 2022.



David Levenson - Senior Independent Director (Current)

David Levenson joined the Board as a Non-Executive Director in September 2019.

David works with boards and senior executives as a coach, advisor and boardroom facilitator. After qualifying with Deloitte in 1984, David worked in senior finance roles in the retail and property industries before moving into social housing in 1992. During the next twenty-two years he was Group Finance Director for three leading London-based landlords and a consultant to several stock transfer landlords in and outside London.

David delivers corporate governance training for the Institute of Chartered Accountant's Academy for Professional Development. A Non-Executive Director for more than twenty years, David also presently serves on the boards of a registered social landlord and a provider of housing and care services to the most disadvantaged members of society.



Shalini Sequeira

Shalini Sequeira joined the Board as an Associate Non-Executive Director in September 2020. In November 2021, Shalini was appointed as a Non-Executive Director. Her first career was in the City of London as a finance lawyer, where she held senior roles in global firms. More recently she is the founder of her own business specialising in executive coaching, peer learning and facilitation of leadership development programmes. She is particularly interested in how to develop inclusive leadership and augment inclusion and equity, both inside and outside the workplace.

Shalini has been Chair of Trustees for a domestic violence charity, Chair of Governors at a London primary school and is currently part of the leadership team for a social enterprise developing female leaders who are leading change. She also gives some of her coaching time pro bono to coach those living with cancer through Macmillan Cancer Support.



Aruna Mehta

Aruna Mehta joined the Board as a Non-Executive Director in November 2021. Her professional expertise is in technology and operations, organisational risk, auditing, compliance and governance. She has worked at Executive Director level with responsibility for global risk and control.

Aruna also serves as a Non-Executive Director at Epsom St Helier NHS Trust, Clarion Housing and the University of Greenwich. She was previously Vice-Chair of the Kennal Academy Trust, which comprises forty five schools across the south-west. She has been a diversity champion in all of her board-level positions.



Janusz Jankowski

Professor Janusz Jankowski joined the Board as a Non-Executive Director in November 2022.

He is the former Chair of the University College of Osteopathy, working with The Princess Royal as Chancellor. Janusz has extensive Board experience, both as Executive and Non-Executive in Higher Education, Health, Government and the NGO Charity Sectors.

Janusz has holistic leadership experience having served as Deputy Vice Chancellor, National Clinical Advisor, Magistrate, International Medical Editor and Academic Consultant Physician.

He is a strong and effective advocate of mental health and disability services having supported appropriate Guidelines from NICE. He is also a successful experienced coach and mentor who, has helped improve institutional culture and the subsequent CQC inspection outcomes.



Sal Jarvis

Dr Sal Jarvis joined the Board as a Non-Executive Director in November 2022.

Sal is Deputy Vice-Chancellor Education at the University of Westminster. Sal has worked in Higher Education since 2006. A former primary teacher, she has career-long experience in education and training, with a focus on Special Educational Needs and Disabilities (SEND) and Inclusion. She is Governor, and Chair of the Development Board, for a school for students with physiological and neurological impairments.



Claire Johnston

Claire Johnston joined the Board as a Non-Executive Director in November 2022.

Claire has spent her nursing career in community, acute and mental health roles and was a Director of Nursing for 20 years, most recently at Camden and Islington NHS Foundation Trust.

She was previously national advisor in primary care and community nursing at the Royal College of Nursing. She also worked at the Department of Health on the community care reforms and at Health Education England running the Capital Nurse programme in North London.

Claire coaches nurses and midwives in managing and developing their careers, as part of Tavistock consultancy. She chairs 'Our Time', a charity working to support children who have a mentally ill parent.



Sabrina Phillips - Associate Non-Executive Director

Sabrina Phillips joined the Board as an Associate Non-Executive Director in November 2022.

Sabrina is the Lambeth Living Well Network Alliance Director. Sabrina is a Mental Health nurse and worked in South London & Maudsley NHS Foundation Trust. Sabrina has a wide range of clinical experience in Acute and community setting, including National & Specialist Children & Adolescent Mental Health. Sabrina has held Senior Operational roles overseeing a varied portfolio of Specialist Community Mental Health Teams for people with Mood and Anxiety issues, Reablement service and Specialist Psychology services such as Croydon Touchstone and IAPT.

Sabrina has also held roles in Quality Improvement, leading on Trust wide programmes that aimed to improve the experience of staff and patients on wards, as well as reduce the length of time service users wait for a service or be on a ward. Sabrina interest in Quality stems from her role as Head of Nursing for Southwark and Addictions Clinical Academic Group (CAG).

Sabrina is passionate about improving services for people with mental health problems through the provision of equitable high-quality care delivered by a compassionate, skilled workforce working in partnership with colleagues from statutory organisations, VCSE, service users and carers and the people living in the community we serve. Sabrina is also an NHS Leadership Academy Ready Now Alumnae and 2020 Florence Nightingale 'Emerging Leaders' Scholar.

Executive Directors:



Paul Jenkins, OBE - Chief Executive Officer (until September 2022)

Paul joined the Trust as Chief Executive Officer in February 2014. He was previously the Chief Executive of Rethink Mental Illness, the leading national mental health membership charity working to help those affected by severe mental illness to recover and lead a better quality of life. Paul has an MBA from Manchester Business School and has over 20 years of experience in management and policymaking in Central Government and the NHS.

Paul has previously served as Director of Service Development for NHS Direct, for which he was awarded an Order of the British Empire (OBE) in 2002. He has been involved in the implementation of a number of other major national government initiatives, including the Next Steps Programme and the 1993 Community Care Reforms.

Paul left the Trust on 30 September 2022.



Michael Holland - Chief Executive Officer (Current)

Dr Michael Holland joined the Trust as Chief Executive Officer in November 2022.

Michael was previously Medical Director at South London and Maudsley NHS Foundation Trust and liaison psychiatrist at Guy's Hospital. He was a fellow at the NHS Institute for Innovation and Improvement. He has also worked as an improvement advisor to the improvement programmes delivered in NHS South West and NHS South. As Chair of the Medical Directors of the Cavendish Square Group and regional Clinical Director for London, he brings well-established relationships in London and the experience of system work, such as the 136-pathway work he led across London.



Terry Noys - Chief Finance Officer

Terry joined the Trust as Deputy Chief Executive and Director of Finance in November 2016, having previously worked for nearly five years for St. Mary's University, Twickenham (latterly as Chief Operating officer).

After qualifying as a chartered accountant (with PricewaterhouseCoopers), he spent six years in investment banking advising companies on strategy, mergers and acquisitions and fund raising before moving into commerce and industry, where he held finance director roles for a number of stock exchange listed and private equity-backed groups. Terry then moved into the not-for-profit sector, holding finance director roles for, amongst others, two leading housing associations and The National Archives.

Terry is also a Non-Executive Director and Audit Committee member of Populo Homes.

Terry is a fellow of the Institute of Chartered Accountants of England & Wales.



Dr Dinesh Sinha - Medical Director and Director of Quality (until June 2022)

Dinesh Sinha joined the Trust as Medical Director in August 2018 and took up the role of Director of Quality from June 2019.

Dinesh brings senior leadership experience and strategic focus in the delivery of high-quality services. He was previously Associate Medical Director, Head of Service and Consultant Psychiatrist in Psychotherapy at East London NHS Foundation Trust. He has held past roles in commissioning on several Clinical Commissioning Group (CCG) governing bodies.

Dinesh is a psychiatrist and psychotherapist; a fellow of the Royal College of Psychiatrists; a member of the RCPsych Medical Psychotherapy Faculty Executive Committee; and holds an MBA from Lancaster University Management School.

Dinesh left the Trust in June 2022.



Caroline McKenna - Interim Chief Medical Officer (Current)

Dr Caroline McKenna was appointed as Interim Chief Medical Officer in June 2022. Prior to taking up this role she held the post of Deputy Medical Director.

Caroline has been a Consultant Child and Adolescent Psychiatrist at the Trust since 2005.



Sally Hodges – Deputy Chief Executive and Chief Clinical Operating Officer

Dr Sally Hodges was appointed as Chief Clinical Operating Officer in June 2019. Prior to taking up her current role, she had been the lead Director of the Trust's Children, Adolescent and Family (CYAF) Directorate since November 2015. Having joined the Trust in 1996, her earlier roles included being the Associate Clinical Director of Complex Needs in CYAF, and the Patient and Public Involvement (PPI) lead for the Trust.

Sally is a Consultant Clinical Psychologist, specialising in children and young people with learning and developmental disabilities. She also holds a Leadership MSc from the University of Birmingham and the NHS Leadership Academy.



Brian Rock - Director of Education and Training / Dean of Postgraduate Studies (until July 2022)

Brian Rock was appointed as Director of Education & Training / Dean of Postgraduate Studies in January 2015. After qualifying as a clinical psychologist, Brian worked for the Goldstone Commission (in South Africa), set up to examine political violence around the transition to democratic rule in 1994. This led to him being appointed as the founding director of an NGO, The Children's Inquiry Trust. He has worked in the NHS since 1996 and was appointed as a Consultant Clinical Psychologist in 2004.

Brian has worked in a number of different roles in the Trust and has been involved in delivering training and supervision for a number of courses for the Trust and elsewhere. Since July 2009, Brian was involved in setting up and overseeing primary care services for the Trust, most notably with our award-winning City & Hackney Psychotherapy Consultation Service, where he was involved in developing and delivering training and consultation to GPs and primary care staff.

Brian is a psychoanalyst and a member of the British Psychoanalytical Society. He also has an MBA from Henley Business School. Brian has published and presented widely on various topics related to mental health, Medically Unexplained Symptoms, and service development and service evaluation in primary care.

Brian is a Board Trustee for Student Minds, a national charity focussed on mental health and wellbeing for students in Higher Education, and for Independent Higher Education, a membership body for alternative education providers. Brian has led a number of key developments in education and training, including the launch of the Digital Academy in September 2020 and the successful registration of the Trust as a formal Higher Education institution with the OfS.

Brian left the Trust in July 2022.



Elisa Reyes-Simpson - Interim Chief Education and Training Officer and Dean of Postgraduate Studies (Current)

Elisa Reyes-Simpson was appointed as Interim Chief Education and Training Officer (CETO) and Dean of Postgraduate Studies in June 2022.

She brings a wealth of institutional knowledge and experience to the role of Interim CETO, having been Associate Dean here since 2015. She has been connected to The Tavistock and Portman for over 25 years, first joining us as a student. She is also Chair of the Tavistock Society of Psychotherapists. She previously worked in adult mental health for a number of years at the Royal Free Hospital. Elisa has looked throughout her career to carry together both her interest in the psychological as well as the social.



Christine Caldwell - Director of Nursing and System Workforce Development (until May 2022)

Dr Chris Caldwell was appointed as Director of Nursing and System Workforce Development in November 2016. She directed the National Workforce Skills Development Unit and was our Director for Patient Experience.

Chris was concurrently Chief Nurse for North London Partners, North Central London's Sustainability Transformation Partnership, where she was also the ICS system lead for staff wellbeing.

Chris is a registered nurse in adult and children's nursing and a nurse teacher. She has a Masters in Health Psychology and gained her Doctorate from Ashridge Business School focusing on transformational organisational change.

Chris left the Trust in May 2022.



Jenny Goodridge - Interim Chief Nursing Officer (Current)

Jenny is on secondment with the Trust from our local ICB, where she was Director of Quality and Chief Nurse for the North Central London Clinical Commissioning Group.

Jenny is a registered general nurse. She has significant clinical experience around practice nursing, acute nursing (including at Guy’s and St Thomas’, King’s College London and King George’s) and has also worked in the ambulance service and at mental health Trusts.

She has been a Director for the last seven years and has been in leadership positions in the NCL system across quality, safeguarding, allied healthcare and nursing for over a decade.



Gemma Davies - Chief People Officer

Gem joined the Trust as Chief People Officer in February 2023. Gem was previously Deputy Director of People at Homerton Healthcare NHS Foundation Trust.

Gem has worked in the NHS for over 20 years in a range of settings, including a Commissioning Support Unit, Primary Care Trusts, a number of hospitals, an ALB and as a senior workforce lead on the COVID-19 vaccination programme during the pandemic.

Gem is passionate about engagement, inclusivity, and creating just, learning cultures.

Board Sub-Committees

The Board delegates some of its oversight responsibilities to sub-committees, where matters of assurance and quality can be explored in more detail.

Committee	Membership April 2022 – March 2023
Audit	David Holt (Chair until Oct-22); David Levenson and Aruna Mehta (Joint-Chairs from Oct-22); and Sal Jarvis.
Quality	Deborah Colson (Chair until Nov-22); Shalini Sequeira (member until Nov-22); Claire Johnston (Chair from Jan-23); Janusz Jankowski; Sabrina Phillips; Sally Hodges; Caroline McKenna; and Jenny Goodridge.
Executive Appointment and Remuneration	John Lawlor (Chair), all non-executive directors
People, Organisational Development, Equality, Diversity & Inclusion	Shalini Sequeira (Chair); Claire Johnston; Debbie Colson; Gemma Davies; Sally Hodges; Jenny Goodridge; and Elisa Reyes-Simpson.
Performance Finance and Resources	Aruna Mehta (Chair), Shalini Sequeira; David Levenson; Sally Hodges; Terry Noys; and Elisa Reyes-Simpson.
Education & Training	David Levenson (Chair); Sal Jarvis (since Nov-22); Janusz Jankowski (since Nov-22); Helen Farrow (left Oct-22); Deborah Colson (to Sep-22); Paul Jenkins (left Sep-22); Michael Holland; Elisa Reyes-Simpson; Terry Noys; and Sally Hodges,

Audit Committee

The Board delegates certain of its duties and responsibilities and powers to the Audit Committee, so that these can receive suitably focussed attention. Principally, the purpose of the Committee is to ensure, on behalf of the Board, that financial reporting, the external and internal audit processes and the systems of internal control and risk management are appropriate and effective across the activities of the Trust.

The Committee fulfils its responsibilities by reviewing the work and the reports of the internal auditors, external auditors, and the local counter fraud specialist. The Committee also seeks assurances from senior managers and reviews other relevant reporting, such as aged debtors and single tender waivers.

The Chief Finance Officer, Chief Nursing Officer and Director of Corporate Governance present the annual report and accounts and the Quality Report to the Committee, which reviews and scrutinises these through questioning the external auditors and senior managers.

COMPOSITION AND ATTENDANCE

The Committee comprises (at least) three Non-Executive Directors, one of whom has recent and relevant financial experience and all of whom are independent Non-Executive Directors of the Trust.

The Chair of the Committee is appointed from the Non-Executive Directors.

The Chair of the Trust may not sit on the Committee.

The Committee is quorate if at least two members are in attendance.

The Chief Finance Officer, Director of Corporate Governance and representatives of the internal and external auditors and local counter fraud service are required attendees at each meeting.

The Chief Executive Officer and other Senior managers attend by invitation only.

The Trust Chair usually attends at least once per year, again by invitation.

Attendance records – Audit Committee		
Member Name	Notes	Possible / Actual Attendances
David Levenson (Joint Chair)		2/3
Aruna Mehta (Joint Chair)		3/3
Sal Jarvis		2/2
David Holt* (Chair)	Left Oct-22	1/1

After each Committee meeting, a highlight report on the key issues addressed are provided to the Trust Board and at each Trust Board meeting the Chair of the Committee is invited to share any concerns or issues with the Board.

THE AUDIT COMMITTEE'S WORK 2022/23

Governance, Risk Management, and Internal Control

The Committee received a report of the progress of the development of the Board Assurance Framework (BAF) and the Operational Risk Registers; and approved the review and scrutiny cycle.

The Committee continued to develop its focus on risk management and corporate governance processes, in accordance with guidance from NHSE and other agencies. The Committee continued to review and refine its approach and attitude towards risk management including (minor) revisions to the Risk Strategy, Policy, and Procedures; reviews of the BAF; and, with assistance from RSM, ongoing development of the Trust's use of assurance mapping.

The Committee received the full BAF at its March 2023 meeting and determined there was substantial assurance in this area. The Committee noted the ongoing work around risk appetite and plans for a Board Development session focussed on risk appetite in April 2023.

The Committee received an update of progress of the Office of Modern Governance (OMG) Governance review actions in October 2022. In January 2023, the Committee noted the re-establishment of the task and finish group chaired by the Chief Executive Officer, with Mr Levenson

(Joint Chair of the Audit Committee) as member of the Group with oversight for the Integrated Governance Action Plan (IGAP). At the meeting of the Committee in March 2023, the Committee received the latest progress of the IGAP noting some progress had been made in delivering key milestones but there were still significant gaps in milestones to achieve.

The Committee reviewed the draft Annual Report (including the Annual Governance Statement) and confirmed to the Board that the wording of the Annual Governance Statement was consistent with the findings reported to the Committee during the year.

The Committee did not receive self-certifications in relation to educational compliance to regulators prior to endorsement by the Board of Directors.

The Committee did not receive reports in relation to operational effectiveness of policies and procedures.

Internal Audit

During 2022/23, the Trust used the services of RSM Risk Assurance Services LLP (“RSM”) to provide its internal audit function, such services being designed to conform to the Public Sector Internal Audit Standards.

The Committee received and approved the internal audit plan ensuring that the plan was consistent with the needs of the Trust. In setting the internal audit work plan, RSM (in conjunction with Senior Management and the Committee) worked within an overarching three-year strategic plan and explicitly considered the Board Assurance Framework (BAF) of the Trust.

The Committee ensured the Trust sought also to use its limited, internal audit resources to focus on areas of actual or potential weakness.

The Committee received a report from RSM at each meeting during the year covering a range of topics including progress against the internal audit plan; assurance map; the draft internal audit plan; and the draft head of internal audit opinion.

The Committee received a report of the audit of the HFMA self-assessment and an action plan to address the recommendations of the audit including progress of implementing the recommendations.

The Committee plans to conduct a review of the effectiveness of the Internal Auditors in October 2023.

External Audit

During 2022/23, the Trust’s external auditors was Mazars LLP (Mazars). Mazars were appointed in 2019, following a competitive tender process.

The audit fee for 2022/23 is £90k (2021/22: £56k) plus VAT. In addition, Mazars was not required to review the Quality Report for 2022/23, as NHSE did not require any external audit assurance (the same was true for 2021/22).

Mazars did not provide any non-audit services to the Trust during 2022/23. Therefore, there was no requirement for the Committee to instigate a policy on the engagement of the external auditor to supply non-audit services.

The Committee received a report from Mazars at each meeting during the year covering a range of topics and potential risks, including Value for Money; Audit Annual Report; Engagement Letter; and the External Audit Plan for 2022/23.

The Committee received a report of the evaluation of performance of the External Auditor's in October 2022 and approved the recommendation to the Council of Governors to reappoint Mazars for 2022/23.

The Committee noted the intention of Mazars not to seek re-appointment. Accordingly, a process for re-tendering the external audit service for financial year ending 31 March 2024 would commence.

Counter Fraud Services

During 2022/23, the Trust used the services of RSM Risk Assurance Services LLP ("RSM") to provide its Local Counter Fraud Specialist (LCFS) function, whose activity was directed and overseen by the Chief Financial Officer and the Committee.

During 2022/23, the Committee received and approved the counter fraud plan to ensure that the Trust continued to develop its programme of deterrence, prevention, and detection, in line with NHS Counter Fraud Authority (NHS CFA) requirements and in response to emerging risks, both locally and throughout the healthcare sector.

The Committee received a progress report from the LCFS at each meeting during the year covering its workplan activities including proactive detection; reactive work it had undertaken; emerging risks and alerts issued; and an update on the NHS Counter Fraud Authority (NHSCFA) CFFSR action plan.

As part of its progress update to the Committee, it noted the LCFS continued to deliver a bespoke fraud and bribery awareness programme to members of the Board of Directors and to staff. The LCFS delivered a bespoke fraud and bribery awareness session to the Board in April 2023. Training has continued to be provided to staff, ensuring that they remain aware of fraud and bribery risks and are suitably informed to be able to promptly identify, mitigate and respond to these risks. The LCFS continued to monitor compliance with the counter fraud and bribery eLearning module. A survey to measure the tolerance levels of staff to various fraud types was issued to staff in 2022/23 and the outcome was being awaited at the time of writing.

The Chief Financial Officer and one of the Joint Chairs have signed off the statutory Counter Fraud Functional Standard Return (CFFSR) for 2022/23.

The Committee plans to conduct a review of the effectiveness of the LCFS in October 2023.

Financial Reporting

During 2022/23, the Committee received reports in relation to internal financial controls and related risks including a report on aged debtors; Single Tender Waivers; Payroll 'Near Miss'; Cyber security; CareNotes restoration; Trust's approach to Procurement; and information governance assurance reports.

The Committee received the Trust's Annual Accounts (including External Audit ISA 260 Audit Memorandum and Letter of Representation) – draft and final at its meetings in May and June 2023.

Freedom to Speak Up

The Committee received an update on the Freedom to Speak Up Guardian arrangements at its March 2023 meeting, noting that the new Chief People Officer would be looking to revise the current framework.

The Committee plans to receive a Freedom to Speak Up report at each meeting of the Committee during 2023/24.

Partnerships / Joint ventures

During 2022/23, the Committee did not receive any reports in relation to governance arrangements between the Trust and any of its partners.

Reporting to the Board

In line with its terms of reference, the Committee provided a highlight/ summary report of its activities to the Board of Directors after each meeting.

Disclosures set out in the NHS Foundation Trust Code of Governance

The Tavistock and Portman 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.

NHS Foundation Trusts are required to provide a specific set of disclosures in their annual report to meet the requirements of the NHS Foundation Trust Code of Governance. The following table details these disclosures and where the information is located in this report:

	PROVISION	ANNUAL REPORT AND ACCOUNTS SECTION
A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	Accountability Report: Directors' Report Governance Disclosures: Council of Governors Report
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors. Part of this requirement is also contained within paragraph 2.27 as part of the directors' report.	Accountability Report: Directors' Report Remuneration Committee Audit Committee Remuneration Report Governance Disclosures: Board of Directors Report
A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	Accountability Report: Governance Disclosures Council of Governors Report
Additional requirement of FT ARM	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	Accountability Report:

	PROVISION	ANNUAL REPORT AND ACCOUNTS SECTION
		Governance Disclosures Council of Governors Report
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.	Accountability Report: Directors' Report Governance Disclosures Board of Directors Report
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.	Accountability Report: Directors' Report Governance Disclosures Board of Directors Report
Additional requirement of 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.	Accountability Report: Directors' Report Remuneration Report
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.	Accountability Report: Nominations Committee
Additional requirement of 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.	Accountability Report: Nominations Committee
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.	Accountability 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.	Accountability Report: Council of Governors Report
Additional requirement of 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 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)	Not applicable for the Trust in 2022/23

	PROVISION	ANNUAL REPORT AND ACCOUNTS SECTION
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.	Accountability Report: Directors' Report Governance Disclosures Board of Directors Report
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.	Accountability Report: Directors' Report Governance Disclosures Board of Directors Report
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 2.111.	Performance report Summarised annual accounts
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.	Annual Governance Statement
C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.	Not applicable for the Trust in 2022/23
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; 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 	Accountability Report: Audit Committee Report Annual Governance Statement

	PROVISION	ANNUAL REPORT AND ACCOUNTS SECTION
	explanation of how auditor objectivity and independence are safeguarded.	
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	Not applicable for the Trust in 2022/23
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.	Accountability Report: Membership Report
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.	Accountability Report: Council of Governors Report
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.	Accountability Report: Membership Report
Additional requirement of FT ARM	The annual report should include: <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. 	Accountability Report: Membership Report
Additional requirement of FT ARM (based on FReM requirement)	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report. See also ARM paragraph 2.27 as directors' report requirement.	Accountability Report: Directors' Report

NHS Oversight Framework

NHSE'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); and
- 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.

Each Trust is segmented into one of the following four categories:

Segment	Description
1	<i>Providers with maximum autonomy:</i> no actual support needs identified across the five themes. Maximum autonomy and lowest level of oversight appropriate. Expectation that providers supports providers in other segments.
2	<i>Providers offered targeted support:</i> support needed in one or more of the five themes, but not in breach of licence and/or formal action is considered. Targeted support as agreed with the provider to address issues identified and help move the provider to segment 1.
3	<i>Providers receiving mandated support:</i> significant support needs and is in actual or suspected breach of the licence, but is not in special measures. Mandated support as determined by the regional team to address specific issues and help move the provider to segment 2 or 1.
4	<i>Providers in special measures:</i> the provider is in actual or suspected breach of its licence with very serious/complex issues the mean it is in special measures. Mandated support as determined to maximise the time the provider is in special measures.

In February 2022, NHSE London Regional Executive Team determined that the Trust would be formally moved from segment 1 to segment 3. The change reflected that, due to the size of the organisation, the Trust faced a number of challenges relating to:

- Its future strategy, including the implementation of the Strategic Review and future options for our estates.
- Financial performance and the sustainability of the Trust.
- Leadership and governance, including the implementation of the recommendations of the external governance review in 2021.
- Quality improvement and performance, including the transformation agenda for the Gender Identity Development Service.

With the move to segment 3, the Trust was provided with a package of mandated support to ensure that we had the capacity to address the challenges we were facing. It agreed with the NCL ICB

and other stakeholders a set of exit criteria which, when achieved, will enable the trust to move back to a higher rating.

Throughout 2022/23, members of the executive team met monthly with the leaders of the NCL ICB and representatives of NHSE to ensure there was appropriate oversight in relation to the agreed actions required to address the identified challenges facing the Trust.

To reflect progress made during 2022/23, along with the changing context for the Trust's work (notably national changes regarding the provision of gender services for children and young people), NCL ICB and NHSE representatives confirmed (during March 2023) a refresh of the governance arrangements relating to the system oversight framework. The new approach is intended to enable the ICB to best support both the important work operationally and clinically in key areas of risk, alongside collectively working with the Trust and NHSE through the options and strategy for the future sustainability of the trust. To do this, the governance arrangements will shift from April 2023 to:

1. A SOF Oversight Board, meeting monthly, to work through the emerging options for the Trust's strategy and support development of this with system partners.
2. A SOF Performance and Improvement Group, meeting monthly, to support the Trust with regards to the continued work aligned to refreshed SOF criteria and any other key areas of operational or clinical risks.
 - Wherever possible, the group will use existing papers and reports that are being established within the Trust relating to improvement plans and operational oversight.
 - The group will help work through issues and where appropriate mobilise support from the system for aspects of this.
 - The group will provide assurance to the SOF Oversight Board.

Statement of the Chief Executive's Responsibilities as the Accounting Officer of The Tavistock and Portman 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 has given Accounts Directions which require The Tavistock and Portman 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 The Tavistock and Portman 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's 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 Tavistock and Portman NHS 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*.

Signature:

A handwritten signature in dark ink, appearing to read 'MHolland', with a long horizontal flourish extending to the right.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Annual Governance Statement 2022/23

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 The Tavistock and Portman 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 The Tavistock and Portman NHS Foundation Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust's risk management strategy and policy clearly sets out the accountability and reporting arrangements for risk management.

The Chief Executive has overall responsibility for the management of risk by the Trust. The other members of the executive team exercise lead responsibility for specific types of risk as follows:

- Clinical risks: Chief Medical Officer / Chief Nursing Officer / Chief Clinical Operating Officer
- Education and Training Risks: Chief Education and Training Officer / Dean of Postgraduate Studies
- Financial and capital planning risks: Chief Finance Officer
- Contractual risks: Chief Finance Officer
- Workforce risks: Chief People Officer
- Information governance risks: Director of Corporate Governance / Company Secretary
- Operational and service risks: Chief Clinical Operating Officer
- Medical workforce risks: Chief Medical Officer
- Estates and Facilities risks: Chief Finance Officer

The role of each Executive Director is to ensure that appropriate arrangements are in place for the:

- Identification and assessment of risks and hazards.
- Elimination or reduction of risk to an acceptable level.
- Compliance with internal policies and procedures, and statutory and external requirements.
- Integration of functional risk management systems and development of the assurance framework.

The Board of Directors provide leadership on overall risk management and is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives.

The Chief Finance Officer, on behalf of the Chief Executive Officer has responsibility for ensuring a sound system of internal financial control and providing adequate financial information. This includes being the key contact for the internal and external auditors and responsibility for providing relevant assurances to the Board. The Chief Finance Officer has ultimate responsibility for any financial implications of plans to control risk and the method used to incorporate such into the business planning process.

The Senior Information Risk Owner (SIRO) is responsible for ensuring that risk relating to information is managed in accordance with the Data Security and Protection Toolkit (DSPT). This framework is monitored by the Information Governance Group which is accountable to the Executive Leadership Team (ELT).

The Director of Corporate Governance also has responsibility for establishing and implementing the process and systems of risk management across the Trust and the promotion of good corporate governance.

The Trust recognises that training of staff is an essential element of any successful risk management strategy. The Trust has provided limited training to staff on risk management since the start of the Covid-19 Pandemic. As such, a programme of robust Risk Management training has been agreed for roll-out across the Trust during 2023/24.

As part of recognising the need for continued improvement in how the Trust manages and learns through risk management, a replacement system for the existing Quality Portal is being procured. This will enhance the level of quality information and reporting from the system and help to cross link the mitigation of risk to decision making across the Trust. It is planned for a new system to be installed and rolled-out during 2023/24.

The risk and control framework

The Trust has in place a Risk Management Strategy and Policy, last reviewed and approved by the Executive Management Team in December 2021, this applies to all Trust staff and sets out the Trust's approach to managing clinical and non-clinical risks.

The system of internal control is based on an iterative risk management process designed to identify the principal risks to the achievement of the Trust's objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The key elements of the risk management strategy are that:

- Risk identification and management is a key trust wide responsibility.
- All staff accept the management of risks as one of their fundamental duties.
- All staff are committed to identifying and reducing risks.

The Trust uses the '5 x 5' matrix for risk quantification. Risks may be identified on an ongoing basis via incident reporting, complaints, claims, freedom to speak up, control audits, and risk assessments. These processes are monitored to ensure that any risks identified, are acted upon in a timely manner.

The Trust's Risk Appetite Statement and assessment which is usually considered and agreed on an annual basis by the Board of Directors was deferred awaiting the outcome of the Strategic Review. A Board Risk Appetite development session facilitated by RSM took place over two dates during March and April 2023; and a final session in May 2023 which will result in a refreshed appetite statement and position on the treatment and acceptance of risk across the Trust.

The Audit Committee is responsible for providing assurance to the Board of Directors that an effective system of integrated governance, internal control and risk management is maintained within the organisation. The Audit Committee also has a specific remit to review and provide verification on the systems in place for risk management.

During the year under review, the internal audit function addressed the following range of internal controls and risk areas:

- Payroll Follow Up (Limited Progress)
- Contract Management (Reasonable assurance)
- Financial Sustainability (Advisory – not rated)
- Risk Management and Board Assurance Framework (Partial assurance)

The Audit Committee is satisfied with the management responses regarding the issues raised by internal audit and time-bound action plans for improvements are in place to address any areas of outstanding weaknesses.

The Audit Committee is also satisfied, despite the ratings of the internal audits noted above, that the Trust has an effective internal audit function that meets mandatory Public Sector Internal Audit Standards and provides appropriate independent assurance to the Committee, the Chief Executive Officer and to the Board.

The Trust uses external bodies to provide assurance, where necessary, and targets the internal audit programme at specific areas where risks or gaps in assurance are identified and no other source of assurance is available. The Board of Directors recognises that this may result in “limited assurance” reports which then enable robust action plans to be identified and implemented to produce improvements in control and assurance.

During 2022/23, the Board of Directors has reviewed and approved the Board Assurance Framework (BAF) to gain assurance that the risks to the strategic objectives are being effectively managed.

The Board of Directors are required to satisfy themselves that the Trust’s annual quality report is fairly stated. The Trust has put in place robust arrangements to ensure key stakeholders are engaged in the process of agreeing the quality priorities and providing commentary on the annual quality report. The Chief Nursing Officer leads and advises on all matters relating to the preparation of the Trust’s annual quality report, to ensure that the quality report presents a properly balanced view of clinical performance over the year.

During 2022/23, three Board sub-committees reviewed the specific strategic risks within the BAF that align to their area of the business. The sub-committee Chair reports from these meetings provide feedback to the Board on the discussions around risk. The sub-committees are as follows:

- Quality Committee;
- People, Organisational Development, Equality, Diversity and Inclusion Committee; and
- Performance, Finance and Resources Committee.

The Audit Committee received the refreshed version of the BAF at both its January and March 2023 meetings as part of their overall assessment of the effectiveness of risk and assurance processes in place.

The reports to the Board highlight any issues that require disclosure or executive actions including where unmitigated risks are identified and assurance that plans are in place.

Major Risks in 2022/23

The Trust agreed a revised set of objectives in year to reflect the strategic direction of the Trust. These Strategic objectives were approved by the Board in December 2022. Following this, at the February 2023 Board meeting, the Board received the refreshed 2022/23 BAF aligned to the new Strategic objectives, for discussion and agreement.

The BAF structure and process enables the Board to focus on the principal risks which might compromise the achievement of the organisation's Strategic objectives.

The BAF maps out the key controls which are in place to mitigate the risks and provide a framework of continued assurance which the Board can draw upon when considering the effectiveness of those controls.

The following Strategic risks contained within the 2022/23 BAF were agreed initially by the ELT and then endorsed by the Board:

- Continued pressures resulting from limitations to Trust capacity and unwarranted variation in care pathways, is resulting in waiting lists and demand for some services continuing to increase. This could result in a deterioration of the quality and safety of services and impact on the service user experience.
- A lack of maturity towards the collection and use of data within the Trust restricts innovation, limits the ability to implement evidence-based improvements and meet the requirements of the transformational information sharing agenda.
- If standards of care to service users and students are not consistently met it could lead to poor clinical and educational outcomes and breaches of statutory and contractual obligations.
- A prolonged inability to have oversight, or understanding, of key quality indicators could lead to the organisation not being aware of patient safety, clinical effectiveness and/or patient experience concerns.
- If the Trust is unable to effectively plan and recruit to critical vacancies and improve the resilience of its workforce through its education, training and development plan, the ongoing sustainability of quality services and activity volume will be impacted. This will lead to enhanced levels of turnover, sickness and future recruitment issues as well as potentially leading to reduced contract income for services delivered.
- The failure to instil an inclusive and open organisational culture in line with our priority commitment around Equality, Diversity and Inclusion (EDI), including sufficient staff support and commitment to health and wellbeing, will lead to reduced levels of staff morale and engagement and quality of patient care delivered.
- If people issues are not managed effectively there is a direct impact on staff morale, engagement and wellbeing. This impacts the resilience of our workforce and quality of patient care that we can deliver.
- A failure to deliver a medium / long term financial plan that demonstrates a trajectory towards break-even, may result in medium term Integrated Care Board (ICB) financial obligations not being met. This will lead to further scrutiny, additional control measures and further restrict investment opportunities required to deliver sustainable services.
- If the Trust fails to deliver affordable and appropriate estates solutions, there may be a significant negative impact on patient, staff and student experience, resulting in the possible need to reduce Trust activities potentially resulting in a loss of organisational autonomy.

- The result of changes in the commissioning environment, alongside the impact of the pandemic on funding and delivery models may prevent the Trust establishing sustainable new income streams and adapting the current Trust service configuration. This could render the Trust's service provision unsustainable.
- The failure to implement comprehensive security measure to protect the Trust from cyber-attack could result in a sustained period where critical IT systems are unavailable, reducing the capacity to provide some services and leaving service users at risk of harm.
- A failure to develop and maintain effective system partnerships could prevent a clear understanding of the population health needs, diluting the specialist mental health voice and potentially lead to the Trust missing opportunities to improve patient care within the Integrated Care System (ICS).
- A failure to comply with the Data protection and security toolkit could lead to a serious breach of data security resulting in service user harm, a loss of Trust reputation and potential ICO financial penalties.
- If effective performance and risk management processes are not embedded within the Trust, it could reduce the effectiveness of senior management decision making whilst also impacting on the level of confidence over our systems of internal control.
- A prolonged period of instability across the Trust Executive and senior management could impact on the effectiveness of governance, performance, and engagement across the Trust, resulting in poor outcomes, levels of compliance, and staff performance.
- A failure to demonstrate and effectively communicate strong regulatory performance to the public and engage key stakeholders in Trust development plans, will result in a sustained loss of public confidence and long-term reputational damage to the Trust.

The Quarter 4, 2022/23 BAF as presented and approved during the April 2023 Board meeting, will be the starting position for the 2023/24 BAF.

Head of Internal Audit Opinion

For the period up to 31 March 2023, the Head of Internal Audit Opinion for the Trust is that *“There are weaknesses in the framework of governance, risk management and control such that it could become, inadequate and ineffective”*.

Factors which informed this opinion include the opinions associated with the internal audits carried out during the period (highlighted within the section on Risk and Control Framework above) where out of four audits undertaken, one provided partial assurance; one limited progress; one reasonable assurance and one advisory with no rating.

Although the Trust has made progress towards improving the control environment in 2022/23, to improve the Head of Internal Audit opinion going forward, the programme of internal audits will be expanded in 2023/24; and the Trust will ensure timeliness of implementation of actions to address internal audit recommendations.

Developing Workforce Safeguards

The Trust complies with the ‘Developing Workforce Safeguards’ recommendations by providing regular reports to the ELT and to the Board of Directors outlining the detailed annual workforce plans. The People Team plan to engage in discussions with senior managers on implementing a workforce plan which will incorporate a consolidated action plan for each clinical service. This will include workforce redesign, agency reduction, recruitment &

retention, and staff survey improvements. The discussions have since commenced on the latter. The workforce plans and remodelling proposals will be quality impact assessed and approved at Board level.

The Trust's Recruitment and Retention strategy is informed by staff surveys and exit questionnaires, using specific feedback from individuals across all staff groups. The strategy delivers against our workforce plans supporting our emphasis on substantive recruitment to roles, retention of existing staff and reducing our need for temporary workers.

The HR business partners are working closely with senior managers to monitor retention of staff, identify areas of risk where there is high turnover and provide support with implementation of both Trust-wide and service specific actions to improve retention rates.

A robust set of workforce metrics are supported by our KPI dashboard which captures vacancy rates, sickness absence, recruitment activity, appraisal, and statutory and mandatory training compliance. These are reviewed by the senior managers monthly with further analysis undertaken as required. These reports are also presented at the POD EDI Committee meetings. The Board and the POD EDI Committee receive reports on the annual staff survey findings and are informed of progress with the actions identified to resolve issues reported.

The Trust is currently piloting the ESR supervisor and manager self-service for staff to record and managers to monitor staff annual leave. The Trust intends to expand this to include sickness absence in 2023/24. All Medical staff have job plans and the Trust is relaunching this process to be supported by a new medical job planning policy. There are ongoing discussions on the implementation of e-job planning for Allied Health Professionals and the efficiencies and assurance this is expected to deliver.

NHS England Conflicts of Interest Guidance

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

During the last quarter of 2022/23, the Trust introduced a new electronic form for recording interests which was still being embedded.

Pension

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

Equality and Diversity

The Trust is committed to creating a diverse and inclusive environment where all our staff, patients and service users feel they can be themselves. Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. An Equality, Diversity and Inclusion (EDI) Policy is in place and supported by an associated Action Plan to ensure delivery against key EDI aims and objectives. The Equalities statement is on the Trust's website [here](#).

Carbon Reduction

The Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. In

July 2021, the Board approved the Trust's Green Plan 2021 - 2026. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Information governance

The Trust has an established process for managing the Information Governance agenda, led by the Director of Corporate Governance as Senior Information Risk Owner (SIRO), the Deputy Medical Director as Caldicott Guardian, and supported by an external resource that provides the Data Protection Officer/Information Governance Service.

The Trust is required to comply with the NHSE DSPT, an online self-assessment tool that allows organisations to measure their performance against the National Data Guardian's data security standards, which reflect legal requirements and Department of Health policy.

The toolkit provides an assurance framework for ensuring that organisations that have access to NHS patient information are implementing the 10 Data Security Standards clustered under three leadership obligations to meet their statutory obligations on data protection and data security.

- Leadership Obligation 1: People - Ensure staff are equipped to handle information respectfully and safely, according to the Caldicott Principles;
- Leadership Obligation 2: Process - Ensure the organisation proactively prevents data security breaches and responds appropriately to incidents or near misses; and
- Leadership Obligation 3: Technology - Ensure technology is secure and up to date.

There were improvements made to the Trust's mandatory Data Security and Protection Toolkit submission – some driven by the Cyber Essentials projects and others because of targeted activity. The Trust was rated as "Standards not fully met – plan agreed" which was due to not meeting the mandatory 95% staff training requirement. Targeted intervention is planned to improve staff mandatory training compliance during 2023/24.

The Trust had no information governance breaches that reached the threshold for reporting to the Information Commissioner's Office (ICO) between 1 April 2022 and 31 March 2023.

A crucial element to success in the cyber arena is to ensure regular independent tests of the systems, services, and data we hold. This is required both by the DSPT submission and the Cyber Essentials compliance. Multiple scenarios have been audited and tested by qualified third-party providers such as RSM (Trust Internal Auditors) and Microsoft with the recommendations being implemented through the year.

The Trust maintained its Cyber Essentials Accreditation for 2022/23 based on compliance with the standards. The Trust will be assessing a potential move to a new accreditation framework in 2023/24.

Freedom of Information (FOI) requests volume continue to rise year on year. The current Year to Date total is four hundred and thirty requests, of which the most frequently requested data subjects were Service Provision. Significant improvements have also been made to the management of the FOI requests. The Trust is now rated "good" by ICO standards, Quarter 2 to Quarter 4 2022/23 achievement was at 95%+ compliance.

During 2022/23, the Trust established an Information Governance Group (IGG) which receives reports on information governance incidents, compliance with training requirements, data quality and compliance with the Information Governance Toolkit.

Countering Fraud and Corruption

The Trust's Local Counter Fraud service ensures that the annual plan of proactive work

minimises the risk of fraud within the Trust and is fully compliant with NHS Counter Fraud Authority requirements. The Trust's People Service and Finance Team work closely with the Local Counter Fraud Specialist (LCFS) function, both on a proactive and reactive basis. The organisation has the appropriate policies and procedures in place around handling alleged and suspected fraud.

Preventative measures include reviewing Trust policies to ensure they are fraud-proof utilising intelligence, best practice, and guidance from NHS Counter Fraud Authority. Detection exercises are undertaken where a known area is at high risk of fraud and the National Fraud Initiative (NFI) data matching exercise is conducted bi-annually. Through utilising communications, and fraud awareness literature throughout the Trust's sites, staff are encouraged to report suspicions of fraud through appropriate channels. The Local Counter Fraud Specialist liaises with Internal Audit to capture any fraud risks from internal audits undertaken within the Trust. Counter Fraud reports are presented to the Audit Committee at each meeting.

During 2022/23, LCFS was involved in five investigations, three of which were closed and two ongoing. There was no financial loss to the Trust as a result of the three closed cases.

The Counter Fraud Functional Standard Return (CFFSR) resulted in an overall rating of Green. The Green rating assesses the Trust as fully compliant with the requirements, with demonstrative evidence of the impact of counter fraud work undertaken available.

During the year, the Trust's counter fraud eLearning module was completed by 727 members of staff. In addition, three bespoke fraud and bribery awareness sessions to 44 managers and budget holders across the Trust. This ensures staff remain aware of fraud and bribery risks and are suitably informed to be able to promptly identify, mitigate and respond to these risks.

Regulation

NHS Foundation Trust Governance: Licence Provisions

The Board self-certifies its Corporate Governance Statement following a robust process of review through the Audit Committee. The full Provider Licence is reviewed by the Audit Committee noting the risks to compliance below and a recommendation on compliance made to the Board for approval. The self-certification is available on the Trust's website along with the full Provider Licence compliance document approved by the Board. This outlines in detail the evidence and assurance the Board has that the risks to its Provider Licence are mitigated as much as possible.

Risks to NHSE Provide Licence condition 4 (FT governance):

The strategic risks in relation to compliance with our Provider Licence are:

- BAF 14 – Effective Performance and Risk management arrangements: If effective performance and risk management processes are not embedded within the Trust it could reduce the effectiveness of senior management decision making whilst also impacting on the level of confidence over our systems of internal control.
- BAF 15 – Effectiveness of senior leadership: A prolonged period of instability across the Trust Executive and senior management could impact on the effectiveness of governance, performance, and engagement across the Trust, resulting in poor outcomes, levels of compliance, and staff performance.
- BAF 16 – Reputational Management & Stakeholder Engagement: A failure to demonstrate and effectively communicate strong regulatory performance to the public and engage key stakeholders in Trust development plans, will result in a sustained loss of public confidence and long-term reputational damage to the Trust.

NHS Oversight Framework Segmentation:

In February 2022, NHSE London Regional Executive Team determined that the Trust would be formally moved from segment 1 to segment 3 of the NHSE Oversight Framework.

With the move to segment 3, the Trust was provided with a package of mandated support to ensure that the Trust had the capacity to address the challenges it was facing. It agreed with the North Central London Integrated Care Board (NCL ICB) and other stakeholders a set of exit criteria which, when achieved, will enable the trust to move back to a higher rating.

Care Quality Commission Inspections:

The Trust is **not fully compliant** with the registration requirements of the Care Quality Commission (CQC). Following the outcome of the inspection of the Gender Identity Development Service (GIDS) in January 2021, a condition was placed on the Trust's licence which remains in place.

2022/23 Inspection:

The CQC has not taken enforcement action against the Trust during 2022/23.

During 2022/23, the CQC undertook two targeted unannounced inspections of our services at the Community Forensic Mental Health Team (The Portman Clinic) and the Community Children and Adolescent Mental Health Services (CAMHs) in January 2023.

As The Portman Clinic inspection was a focussed one, the CQC did not rate the service.

The CAMHs was previously rated overall as good at the last inspection in 2018 (including good for the safe domain). During this inspection, the service was rated as 'requires improvement' for the safe domain. Although the responsive and well-led domains were inspected, they were not rated at this inspection. There was not an overall rating for the service at this inspection as the CQC only inspected three domains.

At the time of writing, the Trust was developing an action plan to address the identified issues.

2020/21 Inspection:

In January 2021, the GIDS was inspected by the CQC and received an overall rating of 'inadequate' for this service. A detailed action plan to address identified issues was developed by the Trust and agreed with the CQC. Monitoring of this action plan is undertaken by the ELT and reported routinely to the Board. It is also discussed at regular Quality Summit meetings involving both the CQC and NHSE.

As a result of this inspection, the Trust is not fully compliant with the registration requirements of the CQC following the imposition of a condition on the licence in January 2021 which remains in place. This condition requires the Trust to report to the CQC monthly.

2018/19 Inspection:

In November 2018, the Care Quality Commission (CQC) rated the Trust as follows:

CQC domain	Rating	RAG
Caring	Good	●
Effective	Outstanding	★
Responsive	Good	●
Safe	Good	●
Well-led	Good	●
Overall	Good	●

Review of economy, efficiency and effectiveness of resources

The objectives of maximising efficiency, effectiveness and economy within the Trust are achieved by internally employing a range of accountability and control mechanisms whilst also obtaining independent external assurances. One of the principal aims of the whole system of internal control and governance is to ensure that the Trust optimises the use of all resources. In this respect the main operational elements of the system are the Management Reporting, BAF and the Board sub-committees (Audit Committee and the Performance, Finance and Resources Committee (PFRC)). Several financial control measures have been maintained throughout the year. Underlying this structure there is the assurance work of both the internal and external audit functions.

The Audit Committee is jointly chaired by two Non-Executive Directors and the Committee reports directly to the Board. Both Internal and External Auditors attend each Committee meeting and report on the achievement of approved annual audit plans that specifically include economy, efficiency, and effectiveness reviews. This year the Audit Committee received the following key reports from Executive Directors:

- Annual Report and statutory declarations
- Risk Management and BAF Development Report
- Board Assurance Framework
- Single Tender Waivers
- Board Governance Review – Progress Update
- HFMA Self-Assessment
- Payroll ‘Near Miss’

A Non-Executive Director chairs the PFRC which reports to the Board upon resource utilisation, service development initiatives as well as financial and operational performance. As part of this assurance process the Trust has presented to the PFRC the planning documents for 2022/23. In addition, the PFRC received regular cash management updates. The Board of Directors also receives both performance and financial reports at each meeting.

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

Executive Directors within the organisation who have responsibility for the development and maintenance of the system of internal control within their functional areas provide me with assurance. The ELT is the principal Executive Committee for reviewing risk in the Trust and continues to contribute to the ongoing monitoring of the effectiveness of the system of internal control.

The process supporting the development of the annual clinical audit programme is now well established with priority given to topics that address areas of key clinical challenge. The central objective of the annual clinical audit programme is to support improvements in patient care identified through clinical audit. The programme is overseen by the Quality Committee.

The Board Assurance Framework (BAF) provides me with evidence that the effectiveness of controls, which manage the risks to the Trust in achieving its strategic objectives have been

reviewed and addressed. The Trust received partial assurance on its risk management arrangements (this includes the processes around the BAF).

Processes are in place to maintain and review the effectiveness of the system of internal control by:

- Quarterly reports to the Board on the BAF risks and assurance on the same through the Audit Committee, as well as regular internal audits;
- assurance, as provided through internal audit, on the risk management processes;
- quarterly reports through the Audit Committee to the Board on the BAF;
- Chair highlight reports from the Board sub-committees to Board.

A report from the Audit Committee on their work is included in the Accountability Statement in the Annual Report along with summary reports on the work of the other Board sub-committees that provide assurance to me and the Board on quality, effectiveness, finance, workforce and education namely:

- Quality Committee
- Performance, Finance and Resources Committee
- People, Organisational Development, Equality and Diversity Committee
- Education and Training Committee.

The Board held development sessions during 2022/23, this included two sessions on Risk Management; and a third one in May 2023.

Significant Control Issues

The Trust's definition of significant control issue is:

- Unplanned issues that required significant resource investment; and
- Any significant concerns raised by regulators, auditors or external visits as agreed by the Audit Committee.

For 2022/23, the Trust is highlighting the following significant control issues:

1. Gender Identity Development Service (GIDS) – In January 2021, the GIDS was inspected by the CQC and received an overall rating of 'inadequate' for this service. This led to the imposition of a condition on the licence in January 2021 which remains in place. As a result of this inspection, the Trust is not fully compliant with the registration requirements of the CQC.

NHSE made an announcement on 28 July 2022 that it will no longer be commissioning the GIDS directly via the Trust. There are ongoing discussions with NHSE about the implications of this for the Trust.

A GIDS Demobilisation oversight Group was set up in December 2022 to monitor all aspects of the mobilisation programme to ensure patient safety and wellbeing (including staff wellbeing).

2. Financial Performance and Sustainability – In relation to financial performance and sustainability, there is a risk of failure to develop and deliver medium / long term financial plans that demonstrate a trajectory towards break-even.

For 2022/23 the Trust planned to achieve a revenue deficit position of £3.8m on an income of £64m. At the end of the full year result for 2022/23, the Trust incurred a net deficit of £3.6m. This is a £0.2m positive variance against the planned deficit of £3.8m. The Trust also delivered its forecast capital expenditure plan of £3.3m.

The Trust is currently developing a financial recovery plan which includes a programme

of work (including cost reduction) focused on sustainable financial improvement and agreed with the ICS as required by NHSE (SOF 3 exit criteria).

There is also a risk of the potential need to provide for redundancies for GIDS. The Trust has sought initial legal advice which may need to be revised once the service specification for the new GIDS service is finalised. The NCL ICB have been informed of the issue.

3. Leadership and Governance – The Office of Modern Governance (OMG) commissioned by the Board of Directors in 2021 to carry out a review of the Trust's governance arrangement, identified 22 recommendations for improvement. In addition, strengthening of leadership and governance was one of the SOF 3 exit criteria for the Trust.

In 2022/23, the recommendations made in the OMG report and SOF 3 actions were being implemented as part of the Integrated Governance Action Plan (IGAP) through a time limited Task and Finish Group and overseen by the Audit Committee. The Integrated Governance Task and Finish Group is chaired by the Chief Executive Officer and comprises a Non-Executive Director (Joint Chair of the Audit Committee); the Associate Non-Executive Director; and the Interim Director of Corporate Governance. The Group adopted a robust project management approach, with an emphasis on evidence-based delivery of sustained improvement.

Throughout 2022/23, members of the ELT met regularly with the leaders of the NCL ICB and representatives of NHSE to ensure there was appropriate oversight in relation to the agreed actions required to address the identified challenges facing the Trust.

During 2022/23, progress has been made in implementing the Governance milestones on the IGAP in a timely way; and the oversight arrangements in place alongside the assurance mechanisms (including regular deep-dives into specific workstreams by the Task and Finish Group) will ensure continuous and sustained strengthening of the leadership and governance arrangements in the Trust in 2023/24.

4. Payroll – An internal audit report, issued in January 2022, on the payroll system was assessed at the 'minimal assurance' level. This was due to internal audit identifying weaknesses in the controls around the processing of timesheets, leavers forms and changes in circumstances which sometimes led to overpayments of salary. Internal Audit also raised concerns that the outsourced payroll provider (Civica) was not performing their duties in line with the Service Definition Document (SDD), but this was not being adequately followed up by the Trust. During 2022/23, internal audit carried out a follow-up review on the status of the actions identified and raised as part of the 2021/22 Payroll audit. Actions followed up on included five 'high', five 'medium' and one low priority management actions. Overall, the review identified limited progress made towards implementing the actions raised, with only one low priority action being regarded as implemented.

Since the review, a robust action plan has been developed to support the Finance and People Teams towards the implementation of the actions identified by internal audit; and to ensure the strengthening of controls in relation to payroll. Some of the key actions implemented so far include the introduction of a monthly payroll working group; quarterly contract monitoring meetings - introduction, and review of Key Performance Indicators (KPIs) at these meetings; and the streamlining of processes to allow for more robust and timely reviews of payments and changes.

The POD EDI Committee will oversee the implementation of the action plan with assurance reports presented to the Audit Committee periodically.

5. CareNotes cyber incident – The Trust’s electronic patient record system, CareNotes, which is hosted and provided by a third-party supplier was impacted by an external ransomware cyber-attack in early August 2022. In response to the cyber-attack, the third-party supplier isolated all systems to mitigate the risk of further impact, which prevented the Trust accessing the system.

The Trust declared a major incident; reported the incident to NHSE and invoked the Trust’s Business Continuity Plans (BCP) to ensure continuity in the provision of services to our patients, service users and families.

The National Cyber Security Centre (NCSC), NHSE took an active role to support the third-party supplier with the investigation in response to the cyber-attack. The investigation identified that none of the health systems hosted by the third-party supplier were affected by the cyber-attack and no patient data was compromised.

However, the severity of the incident meant CareNotes was not operational until November 2022 when a robust recovery process was undertaken, which was completed in March 2023.

The Trust put in place a number of measures including the deployment of a system in August 2022 subsequently referred to as CareNotes mini to assist clinicians with their day-to-day patient activity and data capture. The system also ensured a large volume of data could be automatically migrated back on to the full system when it became available. Whilst the cyber-attack incident was outside the Trust’s control, the Trust’s response provided assurance that our BCP and Disaster Recovery capabilities were fit for purpose.

During 2023/24, the Trust will scrutinise its response to the incident; consider lessons learned and make any required changes to its incident response; BCP and other related policies and procedures.

6. Risk Management and Board Assurance Framework – this was a partial assurance report as highlighted in the Head of Internal Audit Opinion and as such is considered as a significant control issue. The review identified that whilst the Trust had made progress towards developing a more robust risk management process and control framework, there remained a need for the Trust to embed a more substantive risk leadership.

A robust action plan has been developed and is being implemented at pace to strengthen the risk management framework during 2023/24. At the time of writing, the high priority management action had been implemented and the medium priority management actions were in progress and not yet due.

Conclusion

Working with the Board, Council of Governors and Staff, I am fully committed to addressing the significant control issues highlighted above and to delivering and developing high quality and high impact patient services.

Signature:



Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

4 Independent auditor's report to the Council of Governors of The Tavistock and Portman NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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 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, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

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

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

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust 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;
- testing samples of education and training income, accrued expenditure and prepayments.

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.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have identified the following significant weaknesses in the Trust's arrangements for the year ended 31 March 2023.

In September 2022 we identified four significant weaknesses in relation to governance arrangements for the 2021/2022 year. In our view three of these significant weaknesses remain for the year ended 31 March 2023:

Significant weakness in arrangements – issued in a previous year	Recommendation
<p>1. Internal audit findings on payroll An internal audit report, issued in January 2022, on the payroll system was assessed at the 'minimal assurance' level. In our view, the findings represent a significant weakness in arrangements in relation to Governance and specifically how the Trust gains assurance over the effective operation of internal controls.</p>	<p>We recommended that the Trust should address the causes of the issues identified by Internal Audit and continue to monitor the progress of the actions taken or proposed to implement the management actions.</p>
<p>2. Board governance arrangements A December 2021 review of corporate governance arrangements identified 22 recommendations for improvement. In our view, the review outcome represents a significant weakness in arrangements in relation to Governance and specifically how the Trust ensures it makes properly informed decisions.</p>	<p>We recommended that the Trust should address the causes of the areas for improvement identified, with progress being regularly reported to the Board.</p>
<p>3. Annual accounts and audit process The Trust faced significant issues with meeting the national timetable for production of its Annual Report and Accounts for 2021/22 and servicing the audit process. In our view, the issues identified represent a significant weakness in arrangements in relation to Governance and specifically how the Trust ensures that it has effective processes and systems to support its statutory financial reporting requirements.</p>	<p>We recommended that the Trust should take action to support its statutory financial reporting requirements for 2022/23, including being able to service the external audit process.</p>

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 by 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. 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 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 the Tavistock and Portman 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.

**Audit Completion Certificate issued to the Council of Governors of The
Tavistock and Portman NHS Foundation Trust for the year ended 31 March
2023**

We certify that we have completed the audit of the Tavistock and Portman 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.



Suresh Patel, Key Audit
Partner For and on behalf of
Mazars LLP

30 Old
Bailey
London
EC4M
7AU

31 August 2023

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5 Annual accounts for the year ended 31 March 2023

Foreword to the accounts

The Tavistock and Portman NHS Foundation Trust

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

Signature:

A handwritten signature in dark ink, appearing to read 'Michael Holland', written in a cursive style.

Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Statement of Comprehensive Income

		2022/23	2021/22
	Note	£000	£000
Operating income from patient care activities	3	46,454	41,349
Other operating income	4	20,679	22,720
Operating expenses	5, 8	<u>(70,251)</u>	<u>(75,032)</u>
Operating surplus/(deficit) from continuing operations		<u>(3,118)</u>	<u>(10,963)</u>
Finance income	10	130	5
Finance expenses	11	(22)	(31)
PDC dividends payable		<u>(408)</u>	<u>(435)</u>
Net finance costs		<u>(300)</u>	<u>(461)</u>
Surplus / (deficit) for the year from continuing operations		<u>(3,418)</u>	<u>(11,424)</u>
Surplus / (deficit) for the year		<u>(3,418)</u>	<u>(11,424)</u>
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Revaluations	13	241	1,661
Other reserve movements		<u>32</u>	<u>-</u>
Total comprehensive income / (expense) for the period		<u>(3,145)</u>	<u>(9,763)</u>

Statement of Financial Position

		31 March 2023 £000	31 March 2022 £000
Non-current assets			
Intangible assets	12	270	92
Property, plant and equipment	13	25,820	25,150
Right of use assets	15	2,735	-
Total non-current assets		28,825	25,242
Current assets			
Receivables	16	6,582	7,654
Cash and cash equivalents	17	8,822	14,816
Total current assets		15,404	22,470
Current liabilities			
Trade and other payables	18	(11,280)	(13,532)
Borrowings	20	(917)	(445)
Provisions	21	(2,184)	(2,935)
Other liabilities	19	(8,722)	(7,849)
Total current liabilities		(23,103)	(24,761)
Total assets less current liabilities		21,126	22,951
Non-current liabilities			
Borrowings	20	(4,038)	(2,220)
Provisions	21	(28)	(527)
Total non-current liabilities		(4,066)	(2,747)
Total assets employed		17,060	20,204
Financed by			
Public dividend capital		5,543	5,543
Revaluation reserve		14,781	14,239
Income and expenditure reserve		(3,264)	422
Total taxpayers' equity		17,060	20,204

The notes on pages 96 to 127 form part of these accounts.

Signature:



Michael Holland
Chief Executive and Accounting Officer

Date: 28 June 2023

Statement of Changes in Equity for the year ended 31 March 2023

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	5,543	14,239	422	20,204
Surplus/(deficit) for the year	-	-	(3,418)	(3,418)
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	301	(301)	-
Revaluations	-	241	-	241
Other reserve movements	-	-	33	33
Taxpayers' and others' equity at 31 March 2023	5,543	14,781	(3,264)	17,060

Statement of Changes in Equity for the year ended 31 March 2022

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	4,678	12,879	11,545	29,102
Prior period adjustment	-	-	-	-
Taxpayers' and others' equity at 1 April 2021 - restated	4,678	12,879	11,545	29,102
Surplus/(deficit) for the year	-	-	(11,424)	(11,424)
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(301)	301	-
Revaluations	-	1,661	-	1,661
Public dividend capital received	865	-	-	865
Taxpayers' and others' equity at 31 March 2022	5,543	14,239	422	20,204

Information on reserves

Public dividend capital

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

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Merger reserve

This legacy reserve reflects balances formed on previous mergers of NHS bodies.

Income and expenditure reserve

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

Statement of Cash Flows

	Note	2022/23 £000	2021/22 £000
Cash flows from operating activities			
Operating surplus / (deficit)		(3,118)	(10,963)
Non-cash income and expense:			
Depreciation and amortisation	5	3,197	1,972
Net impairments	7	-	4,666
(Increase) / decrease in receivables and other assets		1,072	2,343
Increase / (decrease) in payables and other liabilities		(1,441)	3,623
Increase / (decrease) in provisions		(1,251)	2,776
Other movements in operating cash flows		-	(2)
Net cash flows from / (used in) operating activities		(1,541)	4,415
Cash flows from investing activities			
Interest received		130	5
Purchase of PPE and investment property		(3,348)	(4,351)
Net cash flows from / (used in) investing activities		(3,218)	(4,346)
Cash flows from financing activities			
Public dividend capital received		-	865
Movement on loans from DHSC		(445)	(445)
Capital element of finance lease rental payments		(456)	-
Interest on loans		(22)	(29)
PDC dividend (paid) / refunded		(313)	(419)
Net cash flows from / (used in) financing activities		(1,236)	(28)
Increase / (decrease) in cash and cash equivalents		(5,994)	41
Cash and cash equivalents at 1 April - brought forward		14,816	14,775
Cash and cash equivalents at 31 March	17	8,822	14,816

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England 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, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

On 28 July 2022, NHS England ("NHSE") made an announcement on their website indicating that NHSE will no longer be commissioning the Gender Identity Development Service ("GIDS") directly via the Trust. Whilst there have been ongoing discussions with NHSE, at the date of these accounts, the Trust is still not clear on the financial or operational implications of this for the Trust. It should be noted that income from GIDS represents 14% of total Trust income. Having made making enquiries, and in line with the guidance provided by NHSE, despite the potential loss of the income from GIDS, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Note 1.3 Critical judgements in applying accounting policies

There are no judgements other than those involving estimation that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Note 1.3.1 Sources of estimation uncertainty

The preparation of financial statements under IFRS requires the Trust to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The main areas which require the exercise of judgement are in accounting for property, plant and equipment, accounting for

untaken annual leave and in accounting for receivables. A full valuation of the Trust's properties has been carried out as at 31st March 2023 by RICS Valuers Gerald Eves LLP and the results have been incorporated into the Financial Statements. The principal effects are to increase Freehold Buildings values by £0.2m (21/22 £1.3m) with a corresponding increase to Revaluation Reserve.

Operating costs disclosed within note 5 (Staff and executive directors costs) include an estimate of £1,191k for the annual leave earned but not taken at the year-end date, as shown in note 5 (2021/22, £1,739k).

Note 1.4 Interests in other entities

The Trust has no interest in other entities

Note 1.5 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services.

Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's income is earned from NHS commissioners in the form of fixed payments to fund an agreed level of activity.

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

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

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

Note 1.6 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

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

Education and Training income

Tuition fee income is recognised in the Statement of Comprehensive income and Expenditure to reflect the delivery of teaching to students over the period of the tuition to which the fee relates

Note 1.7 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme

except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.8 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.9 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.

Note 1.10 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, 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-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use.

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

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

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

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

Impairments

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

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

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with HM Treasury's *FReM*, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	5	50
Plant & machinery	5	5
Information technology	5	5
Furniture & fittings	5	5

Note 1.11 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

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

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	5	5
Software licences	5	5

Note 1.12 Cash and cash equivalents

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

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

Note 1.13 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable. After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

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

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

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

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

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

Note 1.14 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 a 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.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

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

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

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

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

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

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. 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.

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.

Note 1.15 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 2023:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	3.27%	0.47%
Medium-term	After 5 years up to 10 years	3.20%	0.70%
Long-term	After 10 years up to 40 years	3.51%	0.95%
Very long-term	Exceeding 40 years	3.00%	0.66%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2023:

	Inflation rate	Prior year rate
--	-----------------------	------------------------

Year 1	7.40%	4.00%
Year 2	0.60%	2.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of 1.70% in real terms (prior year: minus 1.30%).

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

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.17 Value added tax

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

Note 1.18 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments

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

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.21 Early adoption of standards, amendments and interpretations

IFRS17 Insurance Contracts

The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 is yet to be adopted by the FReM, therefore early adoption is not permitted. The impact of this standard has been assessed by the Trust and is thought not to impact the financial statements by anything other than trivial amounts.

Note 2 Operating Segments

	Operating income	Operating expenses	Operating Deficit before Restructuring	PDC Dividends
2022/2023	£000	£000	£000	£000
Education and Training	20,059	20,952	(893)	102
Children, Young People and Families	18,346	19,263	(917)	105
Gender Services	16,429	17,632	(1,203)	138
Adult and Forensic Services	5,965	6,512	(548)	63
Pension and Pay Award	3,443	3,443	0	-
Other	3,021	2,879	142	-
Total	67,263	70,681	(3,418)	408

The Operating segments align to how services are structured and manage internally.

Education and Training – delivery of postgraduate training, CPD training and Short-courses and other consultancy work.

Children, Young People and Families – delivery of a range of specialised mental health services

Gender Services – National hub for delivery of mental health services for adults and children

Adult and Forensic Services – delivery of a range of specialised mental health services.

2021/2022	Operating income	Operating expenses	Operating Deficit before Restructuring	PDC Dividends
	£000	£000	£000	£000
Education and Training	22,499	24,211	(1,712)	151
Children, Young People and Families	17,337	20,777	(3,440)	129
Gender Services	16,609	18,746	(2,137)	117
Adult and Forensic Services	5,422	5,906	(484)	37
Covid-related provision and Support	467	141	327	1
Exceptional costs		5,716	(5,716)	
Support payments from NHS England and North Central London Integrated Care System	1,738	0	1,738	0
Total	64,072	75,497	(11,424)	435

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)

	2022/23 £000	2021/22 £000
Income from commissioners under API contracts*	34,645	31,860
Services delivered under a mental health collaborative	1,873	-
Agenda for change pay offer central funding***	1,515	
Additional pension contribution central funding**	1,918	1,954
Other clinical income	6,503	7,535
Total income from activities	46,454	41,349

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 National Tariff payments system documents.

<https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/>

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

Note 3.2 Income from patient care activities (by source)

	2022/23 £000	2021/22 £000
Income from patient care activities received from:		

NHS England	21,746	18,832
Clinical commissioning groups	2,701	14,983
Integrated care boards	13,631	
Department of Health and Social Care	528	26
Other NHS providers	1,873	2,463
NHS other	2,066	-
Local authorities	2,021	4,014
Non NHS: other	1,888	1,031
Total income from activities	46,454	41,349
Of which:		
Related to continuing operations	46,454	41,349

Note 4 Other operating income

	2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	722	-	722	1,021	-	1,021
Education and training	19,957	-	19,957	21,699	-	21,699
Total other operating income	20,679	-	20,679	22,720	-	22,720
Of which:						
Related to continuing operations			20,679			22,720
Related to discontinued operations			-			-

Education and Training Education and Training includes £10.4m (21/22 £11.8m) from Health Education England – funding training activity across the Trust. Tuition fees and related HEFCE grants total £6.5m (21/22 £6.8m). The Conferences and Short Courses Unit received £1.8m (21/22 £1.6m), Tavistock Consulting received £0.6m (21/22 £0.5m), and the remaining £0.7m (21/22 £1.0m) relates to bursary funding and other minor amounts received across a range of departments across the Trust.

Note 5 Operating expenses

	2022/23	2021/22
	£000	Restated £000
Staff and executive directors costs	51,327	49,206
Remuneration of non-executive directors	157	115
Supplies and services - clinical (excluding drugs costs)	(285)	465
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	287	553
Consultancy costs	1,184	1,178
Establishment	3,668	2,921
Premises	2,453	2,735
Transport (including patient travel)	92	31

Depreciation on property, plant and equipment	3,182	1,942
Amortisation on intangible assets	15	30
Net impairments	-	4,666
Fees payable to the external auditor		
audit services- statutory audit	95	41
Clinical negligence	25	22
Legal fees	140	839
Research and development	215	548
Education and training	3,691	3,714
Operating lease expenditure (comparative only)		472
Redundancy	(398)	1,655
Other	4,403	3,899
Total	70,251	75,032
Of which:		
Related to continuing operations	70,251	75,032

Note 6 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2022/23 or 2021/22.

Note 7 Impairment of assets

	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Abandonment of assets in course of construction	-	4,666
Total net impairments charged to operating surplus / deficit	-	4,666
Impairments charged to the revaluation reserve	-	-
Total net impairments	-	4,666

Last year, as noted at Accounting Policy Note 1. The Trust held assets under construction at 31.3 2022 valued at £4.6m relating to a long-term plan to relocate the main site to a new one in Camden. As a result of a re-appraisal by NHSEI and NCL of the economic viability of the proposed move, a decision was taken to abandon the plan and seek a new site at another location in the future. Therefore, under IAS36 the cumulative costs to date have been written off to operating surplus/deficit

Note 8 Employee benefits

	2022/23	2021/22
	Total	Total
	£000	£000
Salaries and wages	36,123	36,820
Social security costs	4,285	4,062
Apprenticeship levy	160	174
Employer's contributions to NHS pensions	6,336	6,023

Pension cost - other	21	22
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	1,655
Temporary staff (including agency)	4,402	2,105
Total gross staff costs	51,327	50,861
Recoveries in respect of seconded staff	-	-
Total staff costs	51,327	50,861
Of which		
Costs capitalised as part of assets	-	-

Note 8.1 Retirements due to ill-health

During 2022/23 there were no early retirements from the trust agreed on the grounds of ill-health (none in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is 0k (0k in 2021/22).

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

Note 9 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as at 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

c) NEST pension - defined contribution

The Trust participates in the National Employment Savings Trust (NEST) pension scheme, a defined contribution pension plan regulated by the UK government. Under the scheme, the company is required to make contributions towards the pension scheme on behalf of its employees who work as teachers/lecturers for Education and Training department. The Trust's contributions are expensed when incurred and are included in staff costs.

Note 10 Finance income

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

	2022/23	2021/22
	£000	£000
Interest on bank accounts	130	5
Total finance income	130	5

Note 11 Finance expenditure

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

	2022/23	2021/22
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	22	31
Total interest expense	22	31
Unwinding of discount on provisions	-	-
Other finance costs	-	-
Total finance costs	22	31

**Note 12 Intangible assets -
2022/23**

	Software licences £000	Licences & trademarks £000	Patents £000	Internally generated information technology £000	Development expenditure £000	Goodwill £000	Websites £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2022 - brought forward	484	-	-	249	-	-	-	-	-	733
Reclassifications	-	-	-	193	-	-	-	-	-	193
Valuation / gross cost at 31 March 2023	484	-	-	442	-	-	-	-	-	926
Amortisation at 1 April 2022 - brought forward	483	-	-	158	-	-	-	-	-	641
Provided during the year	-	-	-	15	-	-	-	-	-	15
Amortisation at 31 March 2023	483	-	-	173	-	-	-	-	-	656
Net book value at 31 March 2023	1	-	-	269	-	-	-	-	-	270
Net book value at 1 April 2022	1	-	-	91	-	-	-	-	-	92

**Note 12.1 Intangible assets -
2021/22**

	Software licences £000	Licences & trademarks £000	Patents £000	Internally generated information technology £000	Development expenditure £000	Goodwill £000	Websites £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2021 - as previously stated	484	-	-	249	-	-	-	-	-	733
Valuation / gross cost at 31 March 2022	484	-	-	249	-	-	-	-	-	733
Amortisation at 1 April 2021 - as previously stated	480	-	-	131	-	-	-	-	-	611
Provided during the year	3	-	-	27	-	-	-	-	-	30
Amortisation at 31 March 2022	483	-	-	158	-	-	-	-	-	641
Net book value at 31 March 2022	1	-	-	91	-	-	-	-	-	92
Net book value at 1 April 2021	4	-	-	118	-	-	-	-	-	122

Note 13.1 Property, plant and equipment - 2022/23

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2022 - brought forward	9,745	9,757	-	4,666	1,360	-	11,501	307	37,336
Additions	-	-	-	-	2,394	-	954	-	3,348
Revaluations	(975)	1,216	-	-	-	-	-	-	241
Reclassifications	-	-	-	-	-	-	(193)	-	(193)
Valuation/gross cost at 31 March 2023	8,770	10,973	-	4,666	3,754	-	12,262	307	40,732
Accumulated depreciation at 1 April 2022 - brought forward	-	328	-	4,666	225	-	6,685	282	12,186
Provided during the year	-	477	-	-	318	-	1,954	(23)	2,726
Accumulated depreciation at 31 March 2023	-	805	-	4,666	543	-	8,639	259	14,912
Net book value at 31 March 2023	8,770	10,168	-	(0)	3,211	-	3,623	48	25,820
Net book value at 1 April 2022	9,745	9,429	-	(0)	1,135	-	4,816	25	25,150

Note 13.2 Property, plant and equipment - 2021/22

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2021 - as previously stated	9,280	8,862	-	3,647	305	-	9,224	307	31,625
Additions	-	-	-	1,230	1,055	-	2,066	-	4,351
Revaluations	465	895	-	-	-	-	-	-	1,360
Reclassifications	-	-	-	(211)	-	-	211	-	-
Valuation/gross cost at 31 March 2022	9,745	9,757	-	4,666	1,360	-	11,501	307	37,336
Accumulated depreciation at 1 April 2021 - as previously stated	-	152	-	-	217	-	5,306	204	5,879
Provided during the year	-	477	-	-	8	-	1,379	78	1,942
Impairments	-	-	-	4,666	-	-	-	-	4,666
Revaluations	-	(301)	-	-	-	-	-	-	(301)
Accumulated depreciation at 31 March 2022	-	328	-	4,666	225	-	6,685	282	12,186
Net book value at 31 March 2022	9,745	9,429	-	(0)	1,135	-	4,816	25	25,150
Net book value at 1 April 2021	9,280	8,710	-	3,647	88	-	3,918	103	25,746

Note 13.3 Property, plant and equipment financing - 31 March 2023

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned - purchased	8,770	10,168	-	(0)	3,211	-	3,623	48	25,820
Total net book value at 31 March 2023	8,770	10,168	-	(0)	3,211	-	3,623	48	25,820

Note 13.4 Property, plant and equipment financing - 31 March 2022

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned - purchased	9,745	9,429	-	(0)	1,135	-	4,816	25	25,150
Total net book value at 31 March 2022	9,745	9,429	-	(0)	1,135	-	4,816	25	25,150

Note 13.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) – 31 March 2023

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Subject to an operating lease	-	-	-	-	-	-	-	-	-
Not subject to an operating lease	8,770	10,168	-	(0)	3,211	-	3,623	48	25,820
Total net book value at 31 March 2023	8,770	10,168	-	(0)	3,211	-	3,623	48	25,820

Note 14 Leases – The Tavistock and Portman NHS Foundation Trust as a lessee

The organization has entered into multiple lease agreements for the use of office space. These leases pertain to several properties that have been designated for our business operations. Currently, we have a total of seven premises that are leased for our organization's needs.

Each leased office space is located in a distinct location and serves a specific purpose within our operations. These premises provide the necessary infrastructure, amenities, and facilities required for our day-to-day activities. They include individual offices, meeting rooms, communal areas, and other spaces essential for conducting business.

The terms and conditions of each lease agreement outline the rental payments, lease duration, renewal options, and any other specific provisions relevant to the respective premises. Our organization diligently complies with these terms, ensuring the timely payment of rent and adherence to any obligations stipulated in the agreements.

These leased office spaces are essential for our organization's functioning, providing a dedicated and professional environment for our employees. They serve as hubs for collaboration, meetings, and client interactions, enabling us to deliver our services effectively.

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

Leases comparative: Operating lease payments and commitments (trust as a lessee) on an IAS 17 basis (comparatives only)

	All leases Accounts 31 Mar 2022 2021/22 £000	Building leases Accounts 31 Mar 2022 2021/22 £000	Other leases Accounts 31 Mar 2022 2021/22 £000
Lease payments recognised as an expense in year:			
Minimum lease payments	472	412	60
Total in-year operating lease costs	472	412	60
Future minimum lease payments due:			
- not later than one year	472	412	60
- later than one year and not later than five years	1,973	1,728	245
- later than five years	803	803	0
Total	3,248	2,943	305

Note 15 Right of use assets - 2022/23

	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furnit ure & fittin gs £000	Intangibl e assets £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - adjustments for existing operating leases / subleases	3,191	-	-	-	-	-	3,191	-
Valuation/gross cost at 31 March 2023	3,191	-	-	-	-	-	3,191	-
Provided during the year	456	-	-	-	-	-	456	-
Accumulated depreciation at 31 March 2023	456	-	-	-	-	-	456	-
Net book value at 31 March 2023	2,735	-	-	-	-	-	2,735	-
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 15.1 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 20.1.

	2022/23 £000
Carrying value at 31 March 2022	-
IFRS 16 implementation - adjustments for existing operating leases	3,191
Lease payments (cash outflows)	(456)
Carrying value at 31 March 2023	2,735

Lease payments for short term leases, and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 5. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 15.2 Maturity analysis of future lease payments at 31 March 2023

	Total	Of which
	31 March	leased
	2023	from
	£000	DHSC
		group
		bodies:
		31 March
		2023
		£000
Undiscounted future lease payments payable in:		
- not later than one year;	472	-
- later than one year and not later than five years;	1,532	-
- later than five years.	731	-
Total gross future lease payments	2,735	-
Finance charges allocated to future periods	-	-
Net lease liabilities at 31 March 2023	2,735	-
Of which:		
Leased from other NHS providers		-
Leased from other DHSC group bodies		-

Note 15.3 Commitments in respect of operating leases at 31 March 2022 (IAS 17 basis)

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

	2021/22
	£000
Operating lease expense	
Minimum lease payments	472
Total	472
	31 March
	2022
	£000
Future minimum lease payments due:	
- not later than one year;	472
- later than one year and not later than five years;	1,973
- later than five years.	803
Total	3,248
Future minimum sublease payments to be received	-

Note 15.4 Initial application of IFRS 16 on 1 April 2022

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

The standard has been applied using a modified retrospective approach without the restatement of comparatives. Practical expedients applied by the Trust on initial application are detailed in the leases accounting policy in note 13.

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

Reconciliation of operating lease commitments as at 31 March 2022 to lease liabilities under IFRS 16 as at 1 April 2022

	1 April 2022
	£000
Operating lease commitments under IAS 17 at 31 March 2022	3,248
Impact of discounting at the incremental borrowing rate	
IAS 17 operating lease commitment discounted at incremental borrowing rate	3,190
Less:	
Commitments for short term leases	-
Commitments for leases of low value assets	-
Commitments for leases that had not commenced as at 31 March 2022	-
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	-
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	-
Amounts payable under residual value guarantees	-
Termination penalties not previously included in commitment	-
Finance lease liabilities under IAS 17 as at 31 March 2022	-
Other adjustments	1
Total lease liabilities under IFRS 16 as at 1 April 2022	<u><u>3,191</u></u>

Note 16 Receivables

	31 March 2023 £000	31 March 2022 £000
Current		
Contract receivables	3,245	5,605
Allowance for impaired contract receivables / assets	(341)	(341)
Prepayments (non-PFI)	1,169	1,102
VAT receivable	474	247
Other receivables	<u>2,035</u>	<u>1,041</u>
Total current receivables	<u><u>6,582</u></u>	<u><u>7,654</u></u>
Of which receivable from NHS and DHSC group bodies:		
Current	3,286	2,284
Non-current	-	-

Note 16.1 Allowances for credit losses

	2022/23		2021/22	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 April - brought forward	341	-	341	-
Prior period adjustments			-	-
Allowances as at 1 April - restated	341	-	341	-
Transfers by absorption	-	-	-	-
New allowances arising	-	-	-	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	-	-	-	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2023	341	-	341	-

Note 17 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2022/23 £000	2021/22 £000
At 1 April	14,816	14,775
Prior period adjustments		-
At 1 April (restated)	14,816	14,775
Transfers by absorption	-	-
Net change in year	(5,994)	41
At 31 March	8,822	14,816
Broken down into:		
Cash at commercial banks and in hand	8,149	5,773
Cash with the Government Banking Service	673	9,043
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	8,822	14,816
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	8,822	14,816

Note 18 Trade and other payables

31 March 2023 £000	31 March 2022 Restated £000
--------------------------	--------------------------------------

Current		
Trade payables	2,708	2,084
Accruals	6,629	9,600
Social security costs	1,101	1,092
PDC dividend payable	192	97
Pension contributions payable	669	659
Other payables	(19)	-
Total current trade and other payables	11,280	13,532

Of which payables from NHS and DHSC group bodies:

Current	1,426	2,402
Non-current	-	-

Note 19 Other liabilities

	31 March 2023 £000	31 March 2022 £000
Current		
Deferred income: contract liabilities	8,722	7,849
Total other current liabilities	8,722	7,849

Note 20.1 Borrowings

	31 March 2023 £000	31 March 2022 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	445	445
Other loans	-	-
Lease liabilities*	472	-
Obligations under PFI, LIFT or other service concession contracts	-	-
Total current borrowings	917	445
Non-current		
Loans from DHSC	1,775	2,220
Other loans	-	-
Lease liabilities*	2,263	-
Obligations under PFI, LIFT or other service concession contracts	-	-
Total non-current borrowings	4,038	2,220

* 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 16.

Note 20.2 Reconciliation of liabilities arising from financing activities - 2022/23

	Loans from DHSC £000	Other loans £000	Lease Liability £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2022	2,665	-	-	-	2,665
Cash movements:					
Financing cash flows - payments and receipts of principal	(445)	-	(456)	-	(901)
Financing cash flows - payments of interest	(22)	-	-	-	(22)
Non-cash movements:					
Impact of implementing IFRS 16 on 1 April 2022	-	-	3,191	-	3,191
Application of effective interest rate	22	-	-	-	22
Carrying value at 31 March 2023	2,220	-	2,735	-	4,955

Note 20.3 Reconciliation of liabilities arising from financing activities - 2021/22

	Loans from DHSC £000	Other loans £000	Lease Liability £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2021	3,110	-	-	-	3,110
Prior period adjustment	-	-	-	-	-
Carrying value at 1 April 2021 - restated	3,110	-	-	-	3,110
Cash movements:					
Financing cash flows - payments and receipts of principal	(445)	-	-	-	(445)
Financing cash flows - payments of interest	(29)	-	-	-	(29)
Non-cash movements:					
Application of effective interest rate	29	-	-	-	29
Carrying value at 31 March 2022	2,665	-	-	-	2,665

Note 21 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Re- structuring £000	Redundancy £000	Other £000	Total £000
At 1 April 2022	41	-	78	58	1,310	1,975	3,462
IFRS 16 implementation - adjustments for onerous lease provisions	-	-	-	-	-	-	-
Transfers by absorption	-	-	-	-	-	-	-
Change in the discount rate	-	-	-	-	-	-	-
Arising during the year	2	-	-	-	200	-	202
Utilised during the year	(7)	-	(78)	(58)	(712)	-	(855)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-
Reversed unused	-	-	-	-	(598)	-	(598)
Unwinding of discount	-	-	-	-	-	-	-
At 31 March 2023	36	-	-	-	200	1,975	2,211
Expected timing of cash flows:							
- not later than one year;	8	-	-	-	200	1,975	2,183
- later than one year and not later than five years;	28	-	-	-	-	-	28
- later than five years.	-	-	-	-	-	-	-
Total	36	-	-	-	200	1,975	2,211

Note 21.1 Clinical negligence liabilities

At 31 March 2023, £197k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of The Tavistock and Portman NHS Foundation Trust (31 March 2022: £495k).

Note 22 Defined benefit pension schemes

The Trust applies IAS 19 'Employee Benefits' to the operation of the NHS Staff Pension Scheme. This scheme is therefore accounted for as a Defined benefit scheme

Note 23 Financial instruments**Note 23.1 Financial risk management**

The Trust has no related financial risks associated within its financial instruments.

Financial risk

Due to the continuing service provider relationship that the Trust has with Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply.

The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Interest rate risk

The majority of the Trust's financial assets and financial liabilities carry nil or fixed rates of interest. The Tavistock and Portman NHS Foundation Trust is not therefore exposed to significant interest-rate risk.

Currency risk

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

Credit risk

The Trust operates primarily within the NHS market and receives the majority of its income from other NHS organisations as disclosed in note 3 to note 4. Bad debt provisions are calculated based on the Trust's bad debt provision policy which considers the type of debtor, age of the outstanding debt and knowledge of specific balances.

The Trust follows procedures for receivables management, so as to ensure that payments are received promptly, and risk is managed. A provision for impairment (see Note 18.1) is made and is reviewed regularly.

Liquidity risk

The Trust's net operating costs are incurred under annual service level agreements with local Clinical Commissioning Groups which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from retained surpluses and funds made available from Government under agreed borrowing limits. The Tavistock and Portman NHS Foundation Trust is not therefore exposed to significant liquidity risk.

Cash is held as far as possible with the Government Banking Service (see Note 19) at all times.

The Trust also has in place a £4m working capital revolving loan which has been drawn down in full, of which £2.3m has been repaid, leaving an outstanding loan balance of £1.7m

The fair value of a financial instrument is the price at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms-length transaction. All the financial instruments of the Trust are initially measured at fair value on recognition and subsequently at amortised cost.

There are no other financial instruments held

Note 24 Carrying values of financial assets

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2023				
Trade and other receivables excluding non financial assets	4,938	-	-	4,938
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	8,822	-	-	8,822
Total at 31 March 2023	13,760	-	-	13,760

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2022				
Trade and other receivables excluding non financial assets	6,305	-	-	6,305
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	14,816	-	-	14,816
Total at 31 March 2022	21,121	-	-	21,121

Note 24.1 Carrying values of financial liabilities

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2023			
Loans from the Department of Health and Social Care	2,221	-	2,221
Obligations under leases	2,735	-	2,735
Obligations under PFI, LIFT and other service concession contracts	-	-	-
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	9,943	-	9,943
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2023	14,899	-	14,899

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2022			
Loans from the Department of Health and Social Care	2,665	-	2,665
Obligations under leases	-	-	-

Obligations under PFI, LIFT and other service concession contracts	-	-	-
Other borrowings	-	-	-
Trade and other payables excluding non-financial liabilities	12,343	-	12,343
Other financial liabilities	-	-	-
Provisions under contract	3,462	-	3,462
Total at 31 March 2022	18,470	-	18,470

Note 24.2 Maturity of financial liabilities

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

	31 March 2023 £000	31 March 2022 Restated £000
In one year or less	10,993	17,111
In more than one year but not more than five years	3,308	2,252
In more than five years	731	-
Total	15,032	19,363

Note 25 Losses and special payments

	2022/23		2021/22	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	-	-	-	-
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	-	-	-	-
Stores losses and damage to property	-	-	-	-
Total losses	-	-	-	-
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	-	-	-	-
Special severance payments	-	-	2	124
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	-	-	2	124
Total losses and special payments	-	-	2	124
Compensation payments received				

Note 26 Related parties

The Tavistock and Portman NHS Foundation Trust is a body corporate authorised by NHS England, the regulator of NHS Foundation Trusts.

The Trust has no positive disclosure of interests of senior manager related party transactions.

The Department of Health and Social Care is regarded as a related party. During the year, The Tavistock and Portman NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent department (controlling party). The significant entities are listed below:

2022/23

	Total income for the year ended 31 March 2023	Total charge for the year ended 31 March 2023	Debtor/ (creditor) as at 31 March 2023
	£'000	£'000	£'000
Health Education England	11,965	-	313
NHS England	19,828	168	1,640
North Central London CCG (up to Jul 22)	3,468	-	-
North Central London ICS (from Aug 22)	12,259	-	(341)
Department of Health and Social Care	696	-	-

	Total income for the year ended 31 March 2023	Total charge for the year ended 31 March 2023	Debtor/ (creditor) as at 31 March 2023
	£'000	£'000	£'000
HM Revenue and Customs for Pay As You Earn income tax and National Insurance (included in staff costs)	-	4,466	(1,101)
NHS Pension Agency	-	6,336	(669)

2021/22

	Total income for the year ended 31 March 2022	Total charge for the year ended 31 March 2022	Debtor/ (creditor) as at 31 March 2022
	£'000	£'000	£'000
Health Education England	12,758	-	(1,388)
NHS England	18,832	-	729
North Central London CCG	13,841	-	(577)

	Total income for the year ended 31 March 2022	Total charge for the year ended 31 March 2022	Debtor/ (creditor) as at 31 March 2022
	£0	£0	£0

HM Revenue and Customs for Pay As You Earn income tax and National Insurance (included in staff costs)	-	4,236	- 1,092
NHS Pension Agency	-	6,023	- 659

The Trust is reimbursed by the Tavistock and Portman Charitable Fund and by the Tavistock Clinic Foundation for staff and other expenses borne on their account. For the Tavistock and Portman Charitable Fund the amount owed to the Trust is £38k and for the Tavistock Clinic Foundation the amount owed to the Trust is £180k.

During 2022/23, the Trust has an agreement with National Shared Business Services to provide certain accounting processes. The Trust paid £116,146.61 (2021/22 £86,959) for these services.

Note 27 Staff costs and Exit packages.

Staff costs

	Permanent	Other	2022/23 Total	2021/22 Total
	£000	£000	£000	£000
Salaries and wages	36,123	-	36,123	36,820
Social security costs	4,285	-	4,285	4,062
Apprenticeship levy	160	-	160	174
Employer's contributions to NHS pension scheme	6,336	-	6,336	6,023
Pension cost - other	21	-	21	22
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	1,655
Temporary staff	-	4,402	4,402	2,105
Total gross staff costs	46,925	4,402	51,327	50,861
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	46,925	4,402	51,327	50,861
Of which				
Costs capitalised as part of assets	-	-	-	-

Average number of employees (WTE basis)

	Permanent	Other	2022/23 Total	2021/22 Total
	Number	Number	Number	Number
Medical and dental	78	-	78	77
Ambulance staff	-	-	-	-
Administration and estates	261	42	303	320
Healthcare assistants and other support staff	-	-	-	-
Nursing, midwifery and health visiting staff	18	-	18	20
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	182	20	202	230

Healthcare science staff	-	-	-	-
Social care staff	38	-	38	32
Other	-	-	-	-
Total average numbers	577	62	639	679

Of which:

Number of employees (WTE) engaged on capital projects	-	-	-	-
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Reporting of compensation schemes - exit packages 2022/23

	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
Exit package cost band (including any special payment element)			
<£10,000	10	-	10
£10,000 - £25,000	11	-	11
£25,001 - 50,000	6	-	6
£50,001 - £100,000	2	-	2
£100,001 - £150,000	1	-	1
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	30	-	30
Total cost (£)	£684,000	£0	£684,000

Reporting of compensation schemes - exit packages 2021/22

	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
Exit package cost band (including any special payment element)			
<£10,000	2	-	2
£10,000 - £25,000	4	-	4
£25,001 - 50,000	-	1	1
£50,001 - £100,000	1	1	2
£100,001 - £150,000	1	-	1
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	8	2	10
Total resource cost (£)	£263,000	£124,000	£387,000

Exit packages: other (non-compulsory) departure payments

2022/23

2021/22

	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	2	124
Total	-	-	2	124
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

Note 28 Events after reporting period

The Government announced a formal pay offer to Agenda for Change unions for staff subject to Agenda for Change pay, terms and conditions. Subject to the offer being agreed, staff would receive two one-off non-consolidated pay awards on top of their existing 2022/23 pay award, which includes:

- A non-consolidated award worth 2.0% applied equally across all Agenda for Change bands
- A one-off “backlog bonus” with tiered payments worth between £1,250 and £1,600

The Trust has followed the guidance to account for the costs of an additional pay award for 2022/23. The NHS Staff Council subsequently agreed the 2022/23 pay award plan which was paid out in June 2023.

6 Acknowledgements

The Tavistock and Portman NHS Foundation Trust would like to thank everyone who provided the information for this report, who gave their consent to be photographed, who gave permission for their comments to be included, and to everyone who assisted in ensuring clarity throughout this publication.

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