Bolton
NHS Foundation Trust

Annual Report and Accounts 2021/22

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

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FOREWORD BY OUR CHAIR, DONNA HALL

It is my great pleasure to introduce our latest Annual Report for 2021 - 2022 at the end of another of the toughest years for us all. COVID-19 has challenged us all on many different levels; but we are emerging as a Trust, as a partnership and as a town from the darkest of times with some exciting new plans to better support Bolton residents.

This report is written for the people of Bolton to demonstrate to them the work we have being doing in the last year during the continuation of a global pandemic to look after our patients, our staff and to create a better Bolton. The year has presented the greatest challenges of a generation, COVID-19 has impacted upon all NHS organisations and public services generally as well as on our local communities. We have lost more of our patients to the virus and many Bolton residents are waiting longer than they should for treatment because of the backlog created by Covid19 restrictions.

It is brilliant to be able to say that we have now fully restored visiting to our wards. No aspect of the pandemic has been as traumatic for families as not being able to comfort loved ones, particularly at the end of their lives.

The last twelve months have been challenging but also truly outstanding for us. It has been one of both high performance and high challenge for Bolton NHS Foundation Trust. Whilst remaining the busiest accident and Emergency Department in Greater Manchester, we have sustained our high performance of previous years and our Care Quality Commission ranking of “GOOD” overall with “OUTSTANDING” leadership. All parts of the organisation acute and community have shown their resilience, fortitude and creativity in maintaining high performance whilst still making significant financial savings and efficiencies.

Despite the tough circumstances our staff are working in, we have emerged once again as the best NHS Trust to work for in Greater Manchester based on the national annual staff survey results. This is a truly remarkable achievement.

It is a great honour to be Chair of one of the best performing NHS Trusts in the UK; made even more special for me that it is the town where I was born - Bolton. It has been an honour to work alongside our hardworking staff, governors and members of our Trust Board.

Our Chief Executive Fiona Noden joined us at the start of 2020 - Fiona was previously Chief Operating Officer at The Christie, Manchester and has had the most difficult couple of years in which to start as a Chief Executive in her new role, leading our team of experienced executives in her hometown of Bolton. She has done us proud again this year!

The team has gone from strength to strength despite the circumstances and we are leading on many aspects of health and care transformation in Greater Manchester as well as developing ambitious plans to build a new hospital in Bolton and working increasingly closely with Bolton partners including the council, clinical commissioning group and community and voluntary sectors.

Next year's annual report will describe a very different organisation as we look to develop our Integrated Care Partnership and perhaps a very different Bolton as the post-COVID-19 world takes shape. Many have said we cannot go back to normal as normal was not working. We will make sure we play our part as the largest anchor institution in our town in the reshaping of public services.

In 2021, we have considered many big challenges and opportunities including:

- Supporting patients through COVID-19.
- Supporting our amazing staff through COVID-19 and beyond.
- Building a resilient workforce despite the pressures that the sector faces since the start of the pandemic.
- Recovering our elective services impacted by COVID-19.
- Developing plans for a new hospital.
- Challenging ourselves to ensure we are as diverse as our town's population.
- Developing plans for a new Bolton Care Trust model keeping commissioning and delivery skills and expertise in Bolton.
- Welcoming new members of our Board incorporating the Chair of Bolton Clinical Commissioning Group, Bolton's Director of Public Health and the Managing Director of the Integrated Care Partnership incorporating Adult Social Care.

The importance of public services working together in local towns and neighbourhoods to share intelligence with each other and support the most vulnerable in our communities has been brought to the fore as being increasingly important during the pandemic. Our town, our public services, our volunteers and most importantly the people of our town have pulled together in a remarkable way. If we are to truly achieve a better Bolton, we need to build on this reinforced sense of connected communities. It is what we are brilliant at in Bolton!

The vast majority of our 6,000 staff live in Bolton and are a critical part of the delivery of the Bolton 2030 Vision. As a key anchor institution and the largest employer in Bolton, we are committed to delivering our Bolton Family Social Value commitment. We are dedicated to being the best employer we can be and this is borne out in our latest annual staff survey feedback provided anonymously by our brilliant staff. We are very pleased as a Trust Board to have the happiest and most engaged staff in Greater Manchester; despite the pressures of their busy jobs our staff come to work each day with a smile to do the best that they possibly can for a better Bolton. Most of them live and work here; it's their Trust, their family, their town.

Introduction

We are still working hard to create a “health & care village” on our site in Farnworth in the future. We are lucky enough to occupy a very large site and are developing some exciting plans with our partners in the Council and Greater Manchester Combined Authority to integrate and co-ordinate our services as well as our plans for a new hospital about which we have consulted extensively with local people. Watch this space!

We are also very proud to have made financial savings this year despite the very challenging targets we have been set based on our success in achieving our financial savings targets in previous years. This has been down to the energy, creativity and hard work of the entire organisation focussing on new and imaginative ways to save money whilst maintaining or enhancing the quality of service we provide to our people - whether in hospital or in our community services rooted in neighbourhoods.

To conclude, I would like to thank you for taking the time to read our Annual Report to the people of Bolton at a time of great change. We are here to serve you and we are grateful for your ongoing support; for clapping every week for our dedicated and hardworking staff, for donating to our charity, for becoming a member or a governor and for respecting our precious services and using them only when you need them. Thank you.

Professor Donna Hall CBE

Chair, Bolton NHS Foundation Trust

30 June 2022

MESSAGE FROM OUR CHIEF EXECUTIVE, FIONA NODEN

As we finished 2021/22, I know that many people working in healthcare would not have expected another 12 months of the upheaval the pandemic has created. Here we are looking back at another year of immense challenges and pressures, but yet in amongst this, significant achievements, developments, and plans for the future.

None of this could have happened without our phenomenal staff, and I continue to spend every day in awe of their dedication and commitment to providing the very best care for the people of Bolton, and each other.

The number of people being cared for in our hospital with COVID-19 has fluctuated significantly throughout the last 12 months, particularly around the time of the Delta and Omicron variants being identified during the year. We have continued to respond to predicted surges using detailed forecasting from our business intelligence team, based on what was happening in our communities and other parts of the country.

Thankfully, we ended the year with far fewer patients being cared for with COVID-19, and just one designated COVID ward open in the hospital. We have learnt so much during the last two years and know that we will be ready for future rises in numbers should COVID becomes a seasonal virus like flu as expected; there are new treatments, and we know now that adapted vaccines can be distributed and administered quickly if they are required.

However, the impact of COVID has had a huge impact on our ability to care for patients in the same way as before, limiting our bed numbers and meaning that far more people are experiencing problems as a result of waiting longer for treatment. Being able to discharge patients safely back home or into step-down care in the community has been a significant challenge across the whole of the system and has impacted further on our bed space for those unwell enough to require hospital treatment. Working through our backlog of operations and procedures is one of our top priorities, and we are well on track to reducing the number of people that have been waiting a significant amount of time for surgery.

Not being able to provide the care they would like has had a lasting impact on many of our staff, and we have listened to their needs and implemented a number of health and wellbeing initiatives to ensure that they are getting the care they need. This includes specialist support for those who have experienced a traumatic event and monthly Schwartz rounds to discuss the emotional aspects of working in healthcare, both new for the organisation and proving extremely beneficial.

Despite all of this, our staff are still telling us what a fantastic place to work this is, and I was so thrilled when the NHS Staff Survey results for 2021 highlighted that we were

once again one of the best acute trusts to work in Greater Manchester in several key areas.

We have invested in our Digital Services as we continue to work in an agile way to support the needs of our patients and staff and have made huge inroads into supporting our community based staff with the right equipment and knowledge to be able to see their patients with the right information needed to provide the best care. Whilst it may seem simple, we know that being able to access a patient's records in multiple locations makes a huge difference to peoples working life, and to the patient's safety and experience.

Similarly, we know that our estate limits us sometimes from being the very best we can be. Any day now – maybe before this report is published – we will hear whether our bid to the Hospital Improvement Programme has been successful. This £250m funding bid would see us build a brand new hospital on our existing site, developing the space we provide our maternity and children's services from. We are already progressing with our plans to build four new modular theatres on the hospital site to support us with our ambitious recovery plans, and this is alongside the Bolton College of Medical Sciences (BCMS) which we expect to get moving any day now.

The BCMS is a project that will see us work extremely closely with the College and the University to deliver world class health training here at the hospital site. Not only will it play a key role in addressing problems with recruiting to some roles, a national issue in many health professions currently, it will also significantly transform our site.

The coming year brings with it a great many changes to the way we work but ultimately with a simple goal – making access to health and care as simple as it can be for those who need it. The right care, at the right time in the right place has been a common goal as long as I can remember, and changes in the NHS structuring have given us an opportunity to move our plans to integrate health and care across the whole of Bolton more quickly.

Our ultimate aim is to become the provider for Bolton Health and Care Services through the formation of a Local Care Trust, which we are working towards currently. I have been nominated as Place Lead for Bolton, which will give me responsibility for developing and progressing further health and care integration in Bolton. It is a challenging but very exciting time, and I know we have got exactly the right teams in place to make this happen.

On a final note, during this reporting period there have been changes to my Executive Team as we bid farewell Andy Ennis (Chief Operating Officer), Karen Meadowcroft (Chief Nurse) and Esther Steel (Director of Corporate Governance). I would like to formally congratulate Rae Wheatcroft on her appointment as Chief Operating Officer and welcome Tyrone Roberts, our new Chief Nurse to the organisation. Both Rae and Tyrone are key players in the delivery of our ambitions, and I am delighted to have them on board as we continue to do all that we can, to provide the services that our patients deserve for a better Bolton.

Fiona Noden

Chief Executive

1. INTRODUCTION

The purpose of this overview of performance is to provide information on our organisation, its history and purpose. The Chief Executive also presents her perspective on our performance during the financial year 2021/22 and describes the key issues, opportunities, and risks as determined by the Board

1.1. Statement on the Purpose and activities of the Trust

We are an integrated care organisation providing care and support in health centres and clinics, including the prestigious Bolton One complex in the town centre, as well as domiciliary and ill-health prevention services. We also provide intermediate care in the community and a wide range of services at the Royal Bolton Hospital.

Our vision is to be an excellent integrated care provider within Bolton and beyond delivering patient centred, efficient, and safe service.

We believe in:

High quality care centred on individual needs rather than the needs of professionals and organisations.

- Integration across health and social care.
- Accessible, convenient and responsive services 24/7.
- Local wherever possible, centralised where necessary.
- Empowering clients and patients to manage their own care and self-care with information.

1.2. History and Statutory Background

Bolton NHS Foundation Trust is an integrated care organisation providing care and support in the community at over 20 health centres and clinics as well as services such as district nursing and health visiting. We also provide intermediate care in the community and a wide range of services at the Royal Bolton Hospital.

We were authorised as a foundation trust in October 2008 and became an integrated care organisation in July 2011 following the transfer of services from the provider arm of NHS Bolton.

We have a wholly owned subsidiary Integrated Facilities Management Bolton (iFM Bolton - company number 10278178) which was formally established in July 2016 and became operational on 1 January 2017. iFM Bolton provide a full range of estates and facilities services to the Trust including cleaning and portering services that were previously provided by a private subsidiary.

1.3. Preparation of Accounts and adoption of going concern

The Annual Report and Accounts have been prepared in accordance with the direction issued by NHSI under the National Health Service Act 2006. This report is intended to be self-standing and comprehensive in its scope. However, where further information is available, this will be cross-referenced within the report.

For regular updates on our performance and any matters affecting the Trust please refer to our website www.boltonft.nhs.uk

1.4. Going concern

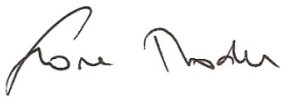
After review, the directors have a reasonable expectation that Bolton NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future.

This judgement was based on the following factors:

- Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.
- The Trust Board has taken assurances throughout the year through the Finance and Investment Committee that plans are robust and deliverable.

Please refer to the notes to the accounts for further detail

I can confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable, providing the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy.



Fiona Noden

Chief Executive, Bolton NHS FT

30 June 2022

2. OVERVIEW OF PERFORMANCE

2.1. Performance reporting

Our Integrated Performance Report provides a comprehensive understanding of how services and the organisation are performing across quality and safety outcomes, workforce activity, finance and regulatory requirements. The framework supports operational processes to ensure continuous improvement in the quality and delivery of services and the assurances required by the Trust Board and Committees, with a clear and dynamic line of sight of issues from 'ward to Board'.

A detailed performance dashboard is published each month providing the latest position against a suite of measures, these include our compliance with targets in the NHS constitution, metrics that provide assurance with regard to the quality of care we provide and metrics associated with our staff including sickness absence rates and training rates (see staff section of this report).

The global pandemic had a significant impact on all activities resulting in a continuation of focussed activity on treating those most in need, which sadly resulted in the postponement of more routine but no less important appointments and procedures. We continued to work closely with Greater Manchester (GM) system partners to minimise the impact on our patients. However, the net impact has been an increase in the number of patients waiting for treatment.

2.2. Performance metrics

Table 1 below outlines our performance against the operational performance metrics used by NHS England and NHS Improvement to monitor and assess NHS providers, though some reporting is suspended during the COVID-19 pandemic.

Performance against the relevant indicators and performance thresholds (Risk Assessment Framework and Single Oversight Framework**)**

Indicator	Target	Apr 21 to Mar	Achieved	Apr 20 to Mar	Apr 19 to Mar
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (average for the year)	**92%**	65.4%	✗	62.2%	76.7%
A&E: Maximum waiting time of four from arrival to admission, transfer or discharge (average for the year)	**95%**	66.84%	✗	80%	79.0%
All cancers: 62-day wait for first treatment from:					
Urgent GP referral for suspected cancer (Apr 20 – Jan 21)	**85%**	85.35%	✓	83.74%	76.7%
NHS Cancer Screening Service referral (Apr 20 – Jan 21)	**90%**	77.28%	✗	74.45%	79.0%
Clostridium difficile - meeting the C. difficile objective (National data published September each year. Therefore, latest available published data is 2020/21	**19**	40	✗	43	22
Summary Hospital-level Mortality Indicator included in "**Reporting against core indicators" section**					
Maximum 6 week wait for diagnostic procedures *Definition – proportion of patients referred for diagnostic tests who have been waiting less than 6 weeks*	**99%**	66.9%	✗	61.8%	93.4%
Venous thromboembolism (VTE) risk assessment included in "**Reporting against core indicators section"** **97.19%**					

Table 1

2.3. Summary of Performance in 2021/22

Vision | Openness | Integrity | Compassion | Excellence

NHS Bolton NHS Foundation Trust

Figure 1

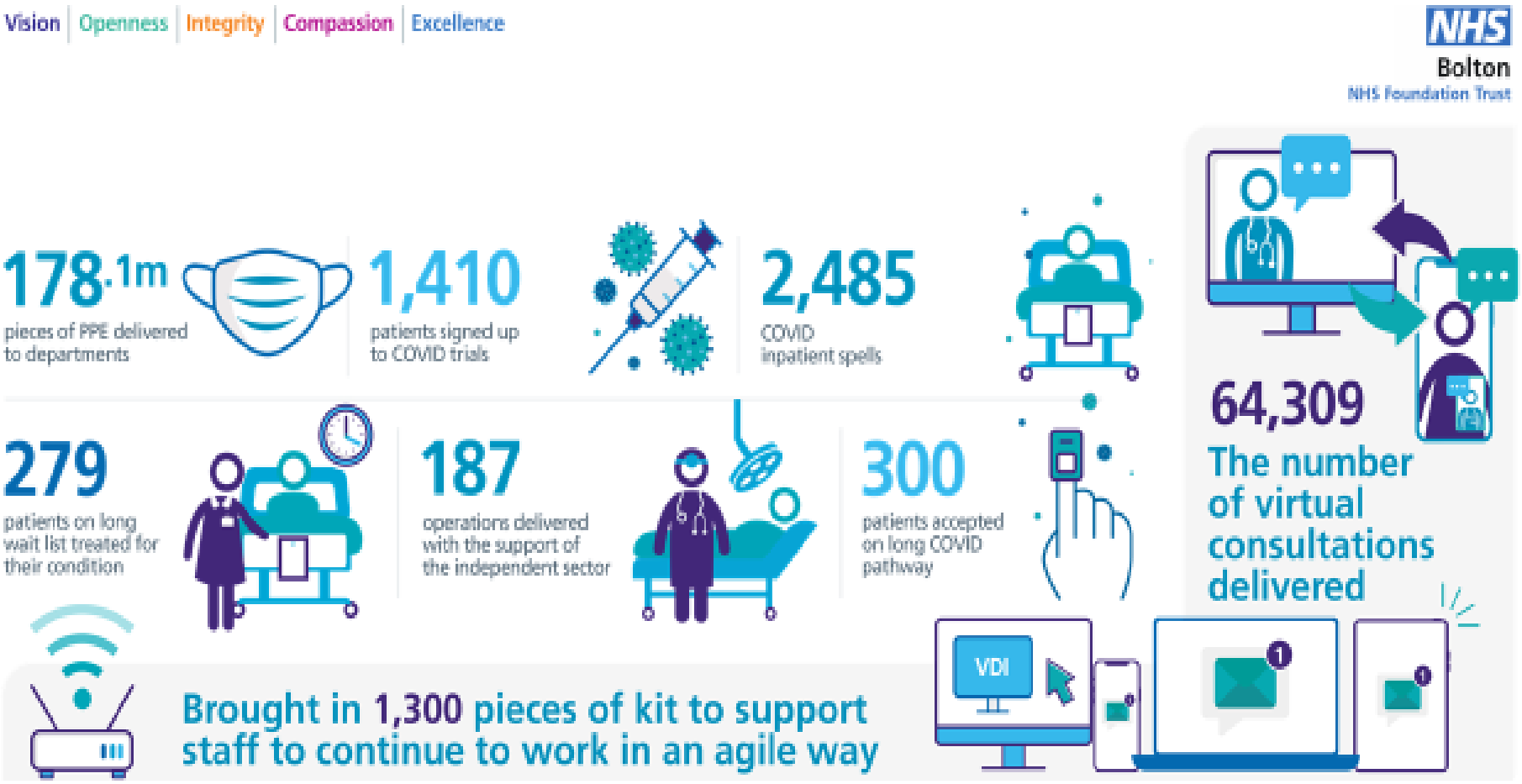

Vision | Openness | Integrity | Compassion | Excellence
NHS
Bolton
NHS Foundation Trust
178.1m
pieces of PPE delivered to departments
1,410
patients signed up to COVID trials
2,485
COVID inpatient spells
64,309
The number of virtual consultations delivered
279
patients on long wait list treated for their condition
187
operations delivered with the support of the independent sector
300
patients accepted on long COVID pathway
VDI
Brought in 1,300 pieces of kit to support staff to continue to work in an agile way

Figure 2

2.4. Patient care

We want patients to receive the best possible care and treatment from our Trust, and we are committed to improving the experiences of our patients and their families whenever they access our services.

This has been a challenging year for so many of us and our Patient Advice and Liaison Service (PALS) have continued to support people by offering impartial advice and assistance to patients, their relatives, friends, and carers. Through listening to feedback, answering questions and helping to resolve concerns about our services we are able to continually improve the services we offer. The restrictions on visiting have meant that the highest number of concerns have been in relation to communication and the impact of visiting restrictions and isolation on patient care.

Friends and Family Test feedback shows that we continue to maintain consistently high levels of satisfaction - demonstrated in both the recommendations scores, as well as the comments we receive. The Friends and Family Test asks patients how likely they are to recommend the services they have used, and what improvements they feel we could make.

We aim to provide safe and effective healthcare to our community. Feedback, both positive and negative, helps us improve the quality of our care.

2.5. Incident Management

Our approach to incident management is set out in our incident reporting policy. The purpose of this policy is to ensure that the Trust has systems and processes in place for the timely reporting and investigating of incidents in line with best practice. The Trust aims to achieve and maintain high standards of incident reporting and investigation so that lessons learned are identified and shared; promoting safety and preventing recurrence as far as reasonably practicable.

In 2021/22, the Trust recorded two never events against a target of zero. In 2019/20 we reported two never event against a target of zero.

2.6. Financial Overview

The Annual Accounts included within this report provide a detailed breakdown of our financial performance in 2021/22.

The year has again been dominated by the COVID-19 pandemic and our response to it. Financially the year was split into two halves. In the first 6 months, the system for the previous 6 months was rolled over; NHS income was still on a block basis and COVID-19 costs were paid as a fixed amount to the Greater Manchester (GM) system and the system managed the funds and break-even. In addition, variable funds were made available for Elective Recovery (ERF). For the second half of the year the income “blocks” were adjusted, and the ERF funding was given as a block for the GM system.

We ended the year with a performance surplus of £35k compared to £460k deficit recorded in the previous year. Looking at the accounts position, which includes technical items, excluded from the performance we reported a deficit of £1.1m compared to a £9.9m deficit in 2020/21. Overall, this was a strong financial performance given the challenges of the year, on a turnover of £439.5m.

We had a year-end cash balance of £56.8m, an increase of £11.3m from the previous year. During the year, we worked hard to control our costs where possible, saving a total of £10.8m. This was as anticipated but was mainly delivered by one off savings of £8.6m.

We spent £25.8m on capital schemes during the year on a range of projects including:

- Electronic Patient Record
- Laboratory Information Management System
- Maternity EPR
- Digital projects including WIFI improvement, Waiting list management, Virtual appointments and Mobile booster
- Endoscopy kit
- CT Scanner and
- Electrical infrastructure.

Despite the achievement of a small in year surplus, we still have a significant underlying deficit moving into the next financial year. This is because before any top ups or system adjustments, we expect to receive less income than the cost of our services based on our financial projections.

Our aim is to continue to use our resources wisely and maintain our financial sustainability. We will continue to work to achieve our aims and refine our financial plans as we move through 2022/23 and the on-going challenges created by the COVID-19 pandemic.

2.7. Equality of Service Delivery

We are committed to actively recognising and promoting Equality, Diversity and Inclusion (EDI). As an NHS organisation, we have a responsibility to demonstrate fairness and equality to our patients and service users, their carers and families and to our employees and volunteers.

Discrimination towards people based on their ‘protected characteristics’ is not to be tolerated in any form.

Being consciously inclusive in all our activities is essential to achieving better health outcomes, improve patient access and experience, have a representative and supported workforce and inclusive leadership at all levels.

We publish an annual Equality Assurance Report which provides a detailed review of the actions taken and our future plans to eliminate discrimination and promote equality of opportunity. Our Equality Assurance Report includes an update on the actions

taken to meet our published Equality Objectives, which for 2021/22 included the following commitments:

- To strengthen partnerships with external organisations
- To engage with relevant stakeholder groups to identify good practice and gaps in service
- To learn from patient and staff concerns, incidents, and complaints to implement changes
- To ensure service reviews and policies are inclusive and offer an opportunity for people with protected characteristics to have a voice
- To strengthen the role of the Black, Asian and Minority Ethnic (BAME) staff forum as a vehicle to hold the Trust to account and to empower staff

We continued to work with community groups to understand and address needs to provide safe and compassionate care to specific groups that were disproportionately affected by Covid 19 pandemic.

2.8. Risk Management

Our Board of Directors has ultimate responsibility for the effective risk management of the Trust's strategic objectives. We have an established risk management process to identify the principal risks that we face. This process relies on our judgement of the risk likelihood and impact and also developing and monitoring appropriate controls. The Board Assurance Framework is used to monitor the key risks to the achievement of our strategic objectives and ensure appropriate mitigating actions are implemented.

The Board of Directors has considered and approved the risk management strategy. The Audit Committee receives regular reports from management and internal and external auditors, detailing the risks that are relevant to our activity, the effectiveness of our internal controls in dealing with these risks and any required remedial actions along with an update on their implementation.

The Audit Committee reports to the Board of Directors on the effectiveness of the risk management process, ensuring any issues raised in internal audit reports are escalated for action and if necessary further assurance. The day-to-day risk management is the responsibility of senior management as part of their everyday business processes.

Further detail on the governance processes supporting our risk management can be found in our Annual Governance Statement on page 87 of this report.

2.9. Principal Risks faced and impact

Throughout the year, the key risk to the organisation remained the impact of COVID-19. Our workforce has always been important to us and this year, the true importance was highlighted yet again as our people continued to go to extraordinary lengths to deliver care to our patients under extremely difficult circumstances.

The following table sets out our key risks, and examples of relevant controls and mitigating factors. The Board of Directors considers these to be the most significant risks that may impact the achievement of our objectives. They do not comprise all of the risks associated with the Trust and are not set out in priority order.

Risk	Controls and mitigation
COVID-19 pandemic will continue to impact on capacity to deliver services and may pose risks to staff and patients. Social distancing has reduced capacity in many areas	• Changes to traditional ways of working utilising virtual clinics to reduce footfall on hospital site • Development of green and red pathways • Continual monitoring of incident level with step up/step down command and control structure if required
Challenge of increased urgent care pressures and increased demand on diagnostic and elective work exacerbated by delays caused by COVID-19	• Urgent care programme plan overseen by the Urgent Care Programme Board • Cancer and elective care capacity and demand management
A failure to provide a timely and appropriate response to the deteriorating patient may lead to an adverse impact on mortality and length of stay	• Root cause analysis and incident reporting. • Year on year reduction in avoidable cardiac arrests • Educational initiatives for all staff on first responder rota • Mortality reduction group overseeing mortality reduction workstreams
Many of our staff in clinical frontline areas are at risk of "burn out" as a result of the COVID-19 pandemic Failure to meet minimum staffing levels because of vacancies and sickness could compromise patient safety and experience.	• Comprehensive wellbeing and support programme for staff • Continued programme of recruitment • Recruitment of additional health care assistants to provide support. • Actions to reduce staff sickness absence • Temporary staffing solutions used to ensure safe staffing levels in clinical areas. Further information in the staffing section
Old estate with significant backlog maintenance and previous lack of capital investment	• Developing a bid for Hospital Improvement Plan funding • Working with partners through the Strategic Estates Board to develop and deliver a detailed Estates Strategy
Failure to deliver the financial plan could reduce the funds available for investment in the Trust. The long term financial impact of COVID-19 recovery is anticipated but not yet quantified	• Financial performance overseen by the Finance and Investment Committee with regular reports to the Board.

Table 2

Our Purpose

We want to deliver better healthcare services for Bolton.
Our care will be of the quality we would want for ourselves, our families and our friends.

Our Vision What is our priority?	Our Values What is important to us?	Our Ambitions What will we do?	Our Outcomes What will we achieve?	Our Future What will we look like?
To be recognised as an excellent provider of health and care and a great place to work	**Vision**	To provide safe, high quality and compassionate **care** to every person every time	Rated Outstanding by the CQC	**We want to be...** An Integrated Care Organisation, where care is joined up and provided in the most appropriate location and which is the provider of choice for community health and care services
	Openness	To be a great place to work, where all **staff** feel valued and can reach their full potential	Top 20% Staff Survey	
	Integrity	To continue to use **resources** wisely so that we can invest in and improve our services	Financially sustainable	A provider of a range of safe local and specialist hospital services to the people of Bolton and beyond
	Compassion	Our estate will be **sustainable** and developed in a way that supports staff and community **Health and Wellbeing**	Estate masterplan is agreed and published	A centre of excellence for women's and children's health
	Excellence	To **integrate** care to prevent ill health, improve wellbeing and meet the needs of the people of Bolton	Health and wellbeing framework is in place	A digital pioneer and centre for digital excellence
		To develop **partnerships** that will improve services and support education, research and innovation	Develop an on-site campus for the training of our current and future workforce	

... for a **better** Bolton

2.10. Our Strategy - for a Better Bolton

Our five-year strategy "**for a better Bolton**", describes our collective vision and ambitions for Bolton NHS FT and is the roadmap to achieving our aspirations.

We conducted an in-depth review of progress against our 5-year strategic objectives which demonstrated that, despite the challenges of 2020-21, exceptional progress has been made on a number of our objectives. Some objectives have however, rightly been de-prioritised to support our response to the pandemic.

2.11. Our Ambitions

Ambition 1
Provide safe, high quality care

Everyone who uses our services has a right to receive good quality, safe treatment. By 2024, we want to be in the top 10% of providers for quality of patient care and we will do this by:

- Reducing avoidable deaths
- Reducing avoidable harms
- Making sure everyone has a good experience when using our services
- Helping our staff improve services

Safety has always been our number one priority, and this has taken on new meaning in 2021/22. More than ever, our staff have worked tirelessly to provide the highest levels of safety and the best standard of care in operationally and, at times, emotionally challenging circumstances.

We are immensely proud of how our staff have adapted to working in new ways, always with an enthusiasm to overcome obstacles in pursuit of one goal: to care for our patients with compassion.

Ambition 2
To be a great place to work

To provide high quality care, we need brilliant people. Our staff are our greatest asset, and over the next five years, we will do more to support everyone to be the best that they can be. We will provide opportunities for staff to develop new skills and we will work closely with local education providers to train the next generation of healthcare workers.

We have so many reasons to be proud of our incredible team and we remain more committed than ever to providing an environment in which our staff can flourish and achieve their potential. Despite the challenges brought about by the pandemic, we

achieved some great things including our work on Inclusion which continues to go from strength to strength.

Ambition 3
To use our resources wisely

It is vitally important for us to plan how we use our money to provide the best care. To do this, we will identify opportunities to organise our services differently to make savings, as well as finding ways to increase our income to help us to reinvest in services.

The NHS financial landscape remains challenged as a result of the pandemic, but our approach has always been to act as careful stewards of public money and make sound investments in our services.

We know that our economic environment will be challenged for some years to come, thus we are committed to working with our partners within Bolton and across Greater Manchester to identify opportunities to make system savings without compromising the quality of service we provide.

Ambition 4
To develop an estate that is fit for the future

Developing our estate is a key priority for the next five years. We want to make sure that we make the best use of the space that we have, and to use it to make a positive contribution to our local communities. We will develop and publish an Estates Masterplan which will describe our vision for the future

In the last two years, our hospital and community estate has had to adapt to new challenges, changing safety requirements and unprecedented demand. To facilitate our response to the pandemic, we acted quickly to reconfigure aspects of our estate in a way that enabled us to deliver safely.

Ambition 5
To integrate care

The future of our services lies in integration. In our five-year strategy, we committed to supporting local people to enjoy the best of health, to deliver services over a wider number of settings to target inequalities, and to progress the development of our Integrated Care Partnership. Over the next five years, we will become a Local Care Trust, driving the design and delivery of new models of care, and working closely with and in our communities to support people to stay well for longer.

The people who have frequent contact with services across the health and social care system tell us that it be confusing and difficult to navigate. To address this, we have worked with our partners across Bolton to establish an Integrated Care Partnership (ICP) to deliver more joined-up care to our population

Ambition 6
To develop partnerships

To better provide all of the services and support that our population and staff require, we need to work collaboratively with our partners across Greater Manchester. Together, we will:

- Improve clinical services for our patients
- Provide resilient clinical support services (e.g. Radiology and Pathology)
- Strengthen education and training
- Lead in innovation and research

The provision of care through our nine neighbourhood teams will continue to facilitate partnership-working with residents to help them build strong, connected and engaged communities. By wrapping services around people in their own communities, we will help them to stay well, connected and at home for as long as they are able, as well as reducing the demands on our hospital.

2.12 Redefining Our Strategy

The passing of the Health and Care Act 2022, has signalled a change in how we continue to advance with collaborative transformative activities. More than ever, delivery across the system depends on the resilience of individual providers

The Trust is working with system partners to ensure that we work collectively to provide safe, resilient services and equity of access to care to the community we serve.

The Bolton Locality Board was established by the Partnership Board and will be given delegation from Greater Manchester (GM) for the oversight of Bolton Health and Social Care funding. This will enable us to make best use of the Bolton pound and make the decisions that matter to us here in Bolton. Bolton FT is part of this Board.

Our Board of Directors will be gaining three new members, so from July 2022, Adult Social Services, Public Health and Clinical Commissioning will be represented through the Trust's formal governance structure. These new roles will be supporting us to oversee a number of changes and our ultimate aim of integrating provision and commissioning for Bolton health and care services.

A key part of the new Bolton Place Based arrangements will be the further integrate of adult social care services and community services so that we can provide an even more streamlined service for many of our patients and service users. As we move

towards this aspiration we will work to decide what the new Local Care Trust will look like, be called and the governance changes needed to achieve our aspirations.

There will be 10 Place Based Leads, one for each of the 10 locality areas in Greater Manchester. Our Chief Executive, Fiona Noden was appointed as the Place Lead for Bolton. She will be responsible for developing and progressing further health and care integration in Bolton.

3. ACCOUNTABILITY REPORT

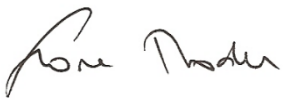
3.1. Directors' report

Bolton NHS Foundation Trust operates according to the highest corporate governance standards. Our Board is a unitary board and has a wide range of skills and experience. The non-executive directors have wide-ranging expertise and experience, including backgrounds in commercial, local government, finance, and primary care. Our Board is balanced and complete in its composition, and appropriate to the requirements of the Trust.

The directors are responsible for preparing the Annual Report and Accounts each year. The following Accountability Report element of this Annual Report comprises:

- Directors' report
- Remuneration report
- Staff report
- the disclosures set out in the NHS Foundation Trust Code of Governance
- NHS Oversight Framework
- Statement of accounting officer's responsibilities and
- Annual Governance Statement.

In my capacity as Accounting Officer, I can confirm that to the best of my knowledge the report is an accurate reflection of the Trust's business in 2021/22.



Fiona Noden

Chief Executive

30 June 2022

3.2. Our Board of Directors

The Board of Directors is the body legally responsible for the management of the Trust and is accountable for the operational delivery of services, targets, and performance, as well as the definition and implementation of our strategy. It has a duty to ensure the provision of safe and effective services for our service users. It does this by having in place effective governance structures and by:

- establishing and upholding Trust values and culture
- setting the strategic direction
- ensuring the Trust provides high quality, safe and effective service user, and carer focused services
- promoting effective dialogue with the Trust's local communities and partners
- monitoring performance against Trust objectives, targets, measures and standards
- providing effective financial stewardship; and
- ensuring high standards of governance are applied across the Trust.

The Chair of the Trust is responsible for ensuring that the Board of Directors focuses on the strategic development of the Trust and that robust governance and accountability arrangements are in place. The Chair of the Trust chairs both the Board of Directors as well as the Council of Governors ensuring there is effective communication between the two bodies and that, where necessary, the views of the Governors are taken into account by the Board.

Whilst the executive directors are individually accountable to the Chief Executive for the day-to-day operational management of the Trust, they along with the Non-Executive Directors, are part of the unitary Board. They all share corporate responsibility and liability for ensuring that the Trust operates safely, effectively, and economically. They do this by making objective decisions in the best interests of the Trust. The Non-Executive Directors will assure themselves of performance by holding the Executive Directors to account for the achievement of the agreed goals, objectives, targets and measures.

The Board sets out the Trust's vision, values and standards of conduct, whilst ensuring that its obligations to Trust members and the wider public are understood, clearly communicated and met. This is achieved by ensuring that the Board is made up of individuals who have the appropriate balance of skills, experience, independence and knowledge to enable the Board to discharge its duties and responsibilities effectively.

The Board transparently provides entrepreneurial leadership, supports Trust colleagues in accordance with the Trust's VOICE values and accepted standards of behaviour in public life, including the Nolan Principles of: Selflessness; Integrity; Objectivity; Accountability; Openness; Honesty; and Leadership.

3.3 Board Composition

Chair and Chief Executive

Donna Hall CBE

Chair of the Board of Directors

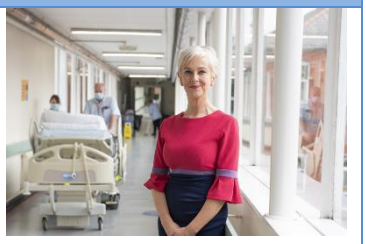
Chair of the Council of Governors

Chair of the Nomination and Remuneration Committee

Appointed April 2019

(Reappointed March 2022)

Fiona Noden



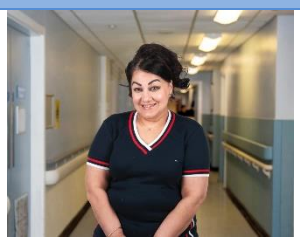
Chief Executive

Appointed Chief Executive in April 2020

With the exception of Audit Committee, Fiona attends all Committees of the Board as an ex officio member

Non-Executive Directors

Zieda Ali



Appointed January 2022

Committee Membership

- Nomination and Remuneration Committee

Malcolm Brown

Appointed Sep 18

Chair of Quality Assurance Committee

NED Champion for End of Life Care

Committee Membership

- Audit Committee
- People Committee
- Nomination and Remuneration Committee

Rebecca Ganz

Appointed January 2020

Chair of iFM Board since April 2019 until March 2022.

Committee Membership

- Finance and Investment Committee

Bilkis Ismail

Appointed September 2017

Chair of People Committee

Senior Independent Director (SID)

NED Champion FTSU and EDI

Committee Membership

- Nomination and Remuneration Committee

- Audit Committee
- Finance and Investment Committee
- Nomination and Remuneration Committee

Jackie Njoroge

Deputy Chair

Appointed Sept 2016

Chair of F&I Committee

Committee Membership

- Quality Assurance Committee
- Nomination and Remuneration Committee

Martin North

Appointed June 2018

NED Champion for maternity

Committee Membership

- Audit Committee
- People Committee
- Nomination and Remuneration Committee
- Charitable Funds

Alan Stuttard

Appointed Jan 2019

Chair of Audit Committee

Committee Membership

- People Committee
- Nomination and Remuneration Committee
- Charitable Funds

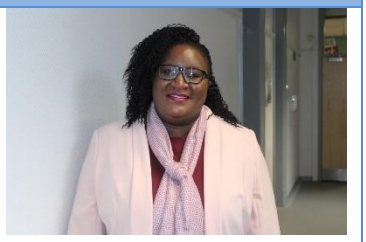
EXECUTIVE DIRECTORS

Francis Andrews

Medical Director

Francis commenced in post as Medical Director in August 2018.

Sharon Katema



Director of Corporate Governance /Trust Secretary (interim)

Sharon joined the Trust in February 2022.

Sharon Martin

Director of Digital, Strategy and Transformation

Sharon joined the Trust in 2018.

James Mawrey

Deputy Chief Executive / Director of People

	James joined the Trust in Feb 2018 and was appointed Deputy Chief Executive in January 2022.
Annette Walker Chief Finance Officer *Annette joined the Trust in 2017.* 	**Rae Wheatcroft** Chief Operating Officer *Rae was appointed COO in January 2022.* 

3.4 Changes to our Board

The following changes to the Board of Directors occurred in 2021/22.

Karen Meadowcroft **Chief Nurse** *Karen retired from her role in March 2022 and was succeeded by Tyrone Roberts who joined the Trust in April 2022.* 	**Tyrone Roberts** **Chief Nurse** Tyrone joined the Trust in April 2022 
Esther Steel Director of Corporate Governance/Trust Secretary. *Esther left the Trust in February 2022 after 14years.* 	**Andy Ennis** – *Andy retired from his role as Chief Operating Officer and Deputy Chief Executive in December 2022 and was succeeded by Rae Wheatcroft.* 
Non-Executive Directors	

Ibrahim Ali Ismail

Ibby was seconded to the Board as a non-voting Associate Non-Executive Director.

Andrew Thornton – Vice Chair

Andrew joined the Trust in August 2014 as a Non-Executive Director and Vice Chair. He left the Trust in February 2022.

3.5 Board of Director's Meetings

The Board of Directors held seven meetings in public during 2021/22 which were quorate. The formal public Board meetings are held on a bimonthly basis. Papers for the meeting including the minutes of the previous meeting are available on request from the Director of Corporate Governance and are also published on the Trust website.

All directors are required to comply with the requirements of the fit and proper persons test and are required to make an annual declaration of compliance in this regard.

Attendance at Board of Director meetings 2021/22				
Name	Role	Meetings Attended	Possible meetings	% Attendance
Donna Hall	Chair	6	7	86%
Fiona Noden	Chief Executive	7	7	100%
Zieda Ali	Non-Executive Director	2	2	100%
Francis Andrews	Medical Director	7	7	100%
Malcolm Brown	Non-Executive Director	6	7	86%
Andy Ennis	Chief Operating Officer	4	5	80%
Rebecca Ganz	Non-Executive Director	6	7	86%
Bilkis Ismail	Non-Executive Director	5	7	71%
Sharon Katema	Director of Corporate Governance	1	1	100%
Sharon Martin	Director of Strategy	6	7	86%
James Mawrey	Director of People	6	7	86%
Karen Meadowcroft	Chief Nurse	6	6	100%
Jackie Njoroge	Non-Executive Director	5	7	71%

Martin North	Non-Executive Director	7	7	100%
Esther Steel	Director of Corporate Governance	7	7	100%
Alan Stuttard	Non-Executive Director	7	7	100%
Andrew Thornton	Non-Executive Director	6	6	100%
Annette Walker	Director of Finance	6	7	87%
Rae Wheatcroft	Chief Operating Officer	2	2	100%

Table 5

4 DISCLOSURES

4.1 Statement of register of interests

All directors have a responsibility to declare relevant interests as defined within our constitution. These declarations are made to the Director of Corporate Governance who maintains a register of other significant interests held by Directors and Governors which may conflict with their responsibilities.

The register is available on our website within the declarations section (updated every six months); access to the register can also be obtained on request from the Director of Corporate Governance.

Details of Company Directorships and Other Significant Interest Held by Directors.

Details of Interest declared by members of the Board of Directors including Company Directorships are set out in the table below and the register of Directors' interests is available on the Trust's website or from the Trust Secretary at:

Bolton Hospital NHS Foundation Trust
Trust HQ
Minerva Road
BL4 0RP

4.2 Independence of directors

The non-executive directors bring strong, independent oversight to the board and all non-executive directors are currently considered to be independent. We are committed to ensuring that the Board is made up of a majority of independent non-executive directors who objectively challenge management.

The Council of Governors is responsible for all decisions to reappoint non-executive directors and is supported in its consideration by the recommendations it receives from the Nomination and Remuneration Committee. Any recommendation to reappoint a

non-executive director beyond six years follows detailed scrutiny to ensure the continued independence of the individual director and such terms of office are avoided unless there are exceptional grounds for them to be considered. Any non-executive director appointed beyond six years is subject to annual reappointment and the maximum term of office is nine consecutive years.

The Board has reserved certain powers and decisions to itself; these are set out in the Schedule of Matters Reserved to the Board of Directors. This details the roles and responsibilities of the Board of Directors, the Council of Governors and committees of the Board.

The Foundation Trust is able to make arrangements for the exercise of any of its powers by a committee of directors or by individual directors, subject to such restrictions and conditions as the Board thinks fit. Our Standing Orders set out the arrangements for the exercise of such powers under delegation.

4.3 Details of political donations

The Trust does not make any political donations and has no political allegiance.

4.4 Overseas Operations

The Trust does not have any overseas operations.

4.5 Pension disclosure

The accounting policies for pensions and other retirement benefits are set out in the accounts and details of senior employees' remuneration can be found in the remuneration report which is included from page 40 of this report.

4.6 Income disclosure required by section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012)

The Trust meets the requirement for income from the provision of goods and services for the purposes of the Health Service in England to be greater than its income from the provision of goods and services for any other purposes.

The small amount of other income received by the Trust helps support the provision of NHS care. The Trust will continue to meet the requirement for its prime business to be the provision of goods and services for the purpose of the health service in England.

4.7 Statement as to disclosure to Auditors

Each of the Directors at the date of approval of this report confirms that:

So far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's Auditor is unaware; and

The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

4.8 Statement of accounts preparation

The Annual Accounts have been prepared under direction issued by Monitor, the independent regulator for Foundation Trusts, as required by paragraphs 24 and 25 of Schedule 7 to the National Health Service Act and in accordance with the NHS Foundation Trust Annual Reporting Manual 2021/22.

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

4.9 Better payment practice code

The Trust is expected to pay 95% of all creditor invoices within 30 days of goods being received or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. The table below shows performance against this target in 2021/22 and 2020/21.

No interest was paid under the Late Payment of Commercial Debts Act 1998.

	20/21	21/22	NHS	Non-NHS
Target to be paid (%)	95	95		
No of invoices (%)	89.6	86.1	74	86.4
Value of invoices (%)	88.2	88.8	73.4	90.9

	Year ended 31 March 2022		Year ended 31 March 2021	
	Number	£'000	Number	£'000
Total non-NHS trade invoices paid within the target	65,078	169,973	48,363	128,855
Total non-NHS trade invoices paid in the period	75,357	187,043	53,497	143,120
Percentage of non-NHS trade invoices	86.36%	90.87%	90.40%	90.00%

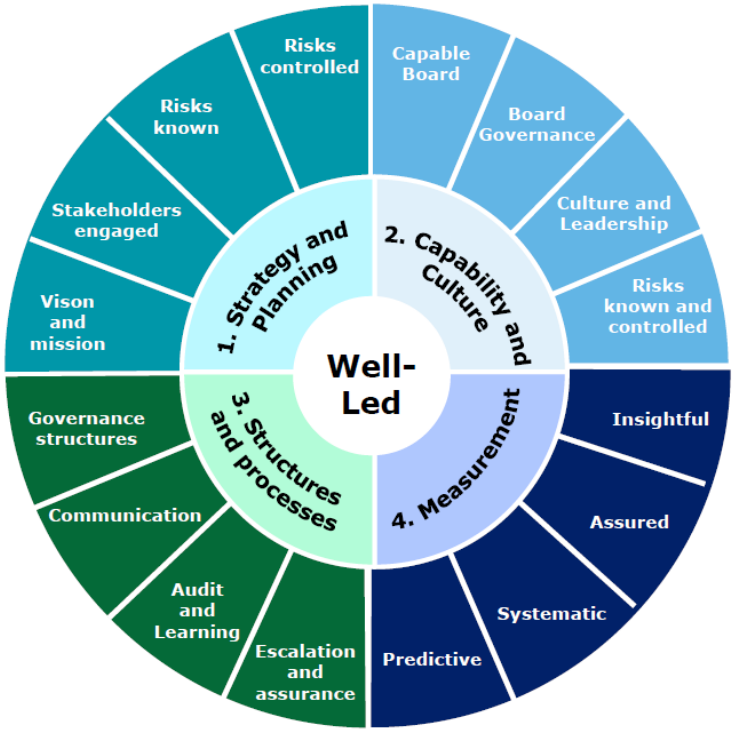
paid within the target				
Total NHS trade invoices paid within the target	1,249	18,499	1,245	21,036
Total NHS trade invoices paid in the period	1,687	25,202	1,849	26,919
Percentage of NHS trade invoices paid within the target	74.04%	73.40%	67.30%	78.10%

Table 6

4.10 Providing Well Led Services

The Trust has maintained its focus on Well-Led developments and improvements, building on previous findings from the Care Quality Commission "Well Led Review" undertaken in January 2019.

The Trust was rated **Outstanding** based on the following findings:



a) Strategy and Planning

- There was a clear vision for the future within the Vision Partnership which had been developed through regular engagement with external stakeholders and commissioners.
- The vision and values were driven by quality, safety, and sustainability in a changing landscape and was being translated into a credible strategy. There were clear intentions to involve the trust staff in the development.
- Strategic objectives filtered through the organisation and could be seen connected to staff appraisals which had been completed to a high level.
- Staff understood the direction of travel of the organisation although the structured planning process was still underway.

b) Capability and Culture

- The leadership team continue to actively shape the culture of the organisation through being open, encouraging and enabling.
- There is a culture of collective responsibility for patient safety throughout the organisation which is palpable.
- There is a level of humility demonstrated which masked the outstanding areas of practice as they were thought of as just doing the best for the people of Bolton.
- There was a cohesive and competent leadership team who were knowledgeable about quality issues and priorities. They had appropriate skills and experience and there were succession plans throughout the organisation.
- Candour, openness, honesty and transparency were the norm.
- Active engagement with staff was being strengthened as it had been recognised and the trust was clear on their priorities when it came to driving improvement for black and minority ethnic staff through the workforce race equality standard.

c) Measurement

- There was an effective and comprehensive system in place to identify, understand, monitor, and address current and future risks. Performance issues were escalated appropriately. Clinical and internal audit processes functioned well and had a positive impact in relation to quality governance.
- There was a good history of financial management.

d) Structures and Processes

- The Board and other levels of governance functioned effectively, and interactions ensured quality and performance were addressed in harmony.
- The trust had instigated investment in the information technology within the organisation. They had a structured plan to develop further the infrastructure. Information utilised for assurance was accurate, reliable, timely and credible.
- Service improvements were driven by clinicians and actively encouraged. The ward accreditation scheme was also driving improvement through healthy competition, innovation and ambition.

Further information on the governance structure that supports the organisation can be found in our Annual Governance Statement which is included on page 87.

4.11 Stakeholder Relations

Our aspiration has always been to look beyond our boundaries and work with passionate, creative, expert partners to deliver the fully integrated health and care services that we aspire to provide. Alongside this, we know, that joint-working with our partners across the system has the potential to provide the resilience and capacity to meet our population's needs.

We noted in our five-year strategy that, '**to meet increasing demand, we need to create more sustainable services, and work collaboratively with our partners across Greater Manchester.'**

A focus on Bolton

We have excellent and well-established relationships with our local authority, commissioning, academic, and community and voluntary sector colleagues, and over the coming years, we will continue to work together to realise our collective aspirations for the people of Bolton as described in the Vision 2030 plan.

In the short term, our collective efforts will focus on opportunities to reduce system financial pressures and to work together to support our community through the impacts of the pandemic.

Research and development

Our clinical research teams have embraced the challenge of improving our understanding of the impacts of COVID-19 and will continue to participate in national programmes focused on understanding risk factors and the efficacy of treatment to improve the care we provide.

Involvement in local initiatives

In addition to working with other hospitals in the North West, we are also work with colleagues in primary care, the CCG and social care to ensure we deliver the best possible services for the future health of the people of Bolton. Locally we have a strong partnership between Bolton Council, NHS Bolton Clinical Commissioning Group, and with other providers and the voluntary sector.

Consultation with local groups and organisations

We are members of the Bolton Partnership Board, which oversees the development of our system wide plans to deliver the Bolton Locality Plan. We work with HealthWatch and the Overview and Scrutiny Committee to share our plans for future services and to provide updates on challenges facing the Trust and the wider health economy.

Public and patient involvement activities

As a Foundation Trust with public members, part of our public and patient involvement is through our membership. We recognise the importance of involving our patients and the wider public in the development of services. This year the constraints of lockdown and social distancing have impacted our face to face engagement but despite this we have used a variety of media including the local press, social media and video meetings to engage with the people we serve covering the following areas:

- Detailed sessions with our staff and Governors on the review of our strategy and on the development of our new Digital Strategy.
- A public engagement campaign on our development of a bid for funding from the New Hospital Programme
- Engagement with the public as part of our response to the COVID-19 pandemic, in particular a focus in engaging with those areas with the highest number of cases and highest mortality.
- Consulting local inclusion groups on the development of new wayfinding signage for the estate
- Co-creating and securing funding for the development of a network of Community Champions for Bolton in partnership with Bolton Council public health, Bolton CVS and the CCG
- Door-to-door engagement with residents in partnership with Bolton at Home as part of collective efforts to improve vaccination and testing

4.12 Statement of Emergency Preparedness Resilience and Response (EPRR) Performance:

The Trust continues to comply with its statutory commitment to emergency preparedness resilience and response (EPRR). This commitment can be quantified following completion of the 2021 NHS EPRR Core Standards self-assessment against 46 criteria, the Trust was fully compliant with 42 and partially compliant with 4, giving and overall assurance rating of Substantial (91%).

In addition, during May 2021 the Trust also completed an audit of its Chemical Incident (CBRN) response capability, successfully scoring compliance in 14 out of 16 criteria (88%). Both outstanding actions have now been addressed.

Pandemic Response:

Across 2021 as the pandemic waves and variants continued, the trust maintained its focus on the response element of Emergency Preparedness Resilience and Response (EPRR). Gold, Silver and Bronze level Command and Control systems remained in place as for the previous year, ensuring all steps were taken to keep patients and staff safe and allow for the continued delivery of quality patient care in line with current national and local (GM) guidelines.

Live Incident Response:

In addition to the ongoing Covid national major Incident response across 2021, using existing emergency plans and procedures the Trust was required to responded to a number of live Business Continuity (BC) and critical Incidents:

- May 2021 – Critical Incident declared – Patient flow situation
- September 2021 – Fuel disruption – business continuity advice circulated
- November 2021 – Terrorism threat level raised to Severe – Lockdown plan assessment

- December 2021 – Loss of heating across the site
- December 2021 – Fire on C1 Ward requiring partial evacuation
- December 2021 – Flood E block – required BC plans to be implemented

Testing and Exercising:

As a result of the continued response to the pandemic across 2021 delivery of EPRR training and exercising has been understandably reduced, however formal testing across a number of key EPRR areas was completed:

- January 2021 – Exercise "Pressure" - Major Incident Exercise to test impact of Covid restrictions on the major Incident response within the Emergency Department.
- March 2021 – Major Incident table top exercise E5 Paediatric Unit
- August 2021 – Exercise Misper1 – Ward response to missing patient scenario

In addition to the exercises listed above, formal training sessions have also continued for Senior Managers who will be joining the on call rota and Emergency Department staff to ensure a consistent major incident response. Evacuation table top exercises also continue to be delivered across a number of clinical areas.

As with previous years Chemical Incident PPE capability underwent annual servicing by the manufacturer to ensure it remains fit for purpose. Planning was also commenced to relocate the Major Incident Control room to a more suitable location.

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5 REMUNERATION REPORT

The remuneration report has been prepared in compliance with the relevant elements of sections 420 to 422 of the Companies Act 2006, Regulation 11 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2001, parts 2 and 4 of Schedule 8 of the Regulations as adopted by Monitor for the purposes of the Annual Report Manual and elements of the NHS Foundation Trust Code of Governance.

5.1 Annual Statement on Remuneration

I am pleased to present the remuneration report for 2021/22. As Chair of the Board of Directors, I chair the two committees charged with responsibility for nomination and remuneration:

- a Board Nomination and Remuneration Committee with formal delegated responsibility for the nomination and remuneration of Executive Directors and
- a Governor Nomination and Remuneration Committee - this second committee acts in an advisory and supporting capacity for the full Council of Governors but does not have formally delegated powers**.**

The exception to this arrangement is when my own performance or remuneration is being discussed. In these circumstances, the Vice-Chair of the Trust will chair the Governor Nomination and Remuneration Committee.

Donna Hall

Trust Chair

30 June 2022

5.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee was established by the Board of Directors to consider matters relating to the remuneration, allowances, and terms and conditions of office of the executive directors. It is made up of all the non-executive directors and is chaired by Donna Hall.

The Chief Executive attends the committee in relation to discussions around board composition, succession planning and the remuneration of executive directors. The Chief Executive is not present during discussions relating to her own performance, remuneration or terms and conditions of office.

The Nomination and Remuneration Committee met three times during the reporting period to consider the appointment of a new Chief Nurse and to discuss the performance and remuneration of the Executive Directors. The Chief Executive and the Director of Corporate Governance attended meetings other than when matters being discussed would have meant a conflict of interest. Minutes of meetings were recorded by the Director of Corporate Governance. Attendance is shown in the table below.

In accordance with the Nomination and Remuneration Committee's Terms of Reference, there have been occasions all decisions have been made virtually.

During 2021/22, the Chief Operating Officer and Chief Nurse retired from their roles in December 2021 and March 2022, respectively. The Director of Corporate Governance also left the Trust in February 2022

Nomination and Remuneration Committee Attendance		
Donna Hall (Chair)	Chair	3/3
Mrs Fiona Noden	Chief Executive	3/3
Malcolm Brown	Non-Executive Director	3/3
Jackie Njoroge	Non-Executive Director	3/3
Rebecca Ganz	Non-Executive Director	3/3
Bilkis Ismail	Non-Executive Director	3/3
Martin North	Non-Executive Director	3/3
Andrew Thornton	Non-Executive Director	2/3
Alan Stuttard	Non-Executive Director	3/3
In Attendance		
Esther Steel (in attendance)	Director of Corporate Governance	3/3
James Mawrey (in attendance)	Director of People	3/3

Table 7

5.3 Executive Remuneration

In all debates and discussions pertaining to salaries for senior managers the Nomination and Remuneration Committee have ensured that the policies applied reflect those applicable to our staff on Agenda for Change contracts.

The Committee has a duty to ensure the Trust can recruit and retain and motivate the senior managers with the appropriate skills and values to lead the organisation. At the same time, the Committee recognises that this must be within the confines of public acceptability and affordability.

Benchmarking has been used to agree and establish salary scales for executive directors, these scales are described within the remuneration policy section of this report. The executive directors were awarded a 3% increase in line with the increase paid to staff on the Agenda for Change framework.

The Chief Executive is paid more than £150,000 per annum, the Committee reflected on benchmark salary information for comparative jobs within the NHS and concluded that the remuneration agreed was appropriate and reasonable for the current post holder.

5.4 Governor Nomination and Remuneration Committee

The Governor Nomination and Remuneration Committee did not meet during 2021/22, instead all discussions on NED appointments were undertaken during part two Governor meetings, this is in accordance with our constitution which requires all such decisions to be taken by the full Council of Governors.

In their part two discussions, our Governors.

- Received the outcomes of NED appraisals.
- Reappointed Mr Martin North and Dr Malcolm Brown for a second term as non-executive directors.
- Appointed Ms Zieda Ali as a Non-Executive Director.
- Reappointed Prof Donna Hall for a second term as Chair of the Trust.
- Agreed to extend Mrs Jackie Njoroge appointment to August 2023.

5.5 Performance Evaluation

The Chair reviewed the performance of the Chief Executive and each of the Non-Executives through the Trust appraisal process. Within iFM Bolton, the Chair reviews the performance of the Managing Director who in turn reviews the performance of the senior team. The performance of the iFM Chair is reviewed by the Chair of the FT.

The Chief Executive reviewed the performance of the Executive Directors, and the Senior Independent Director reviewed the performance of the Chair.

5.6 Service Contract obligations

Senior managers' contracts are permanent, continuation of which is subject to rigorous reviews of performance. There are no obligations on the Foundation Trust which could give rise to or impact on remuneration payments or payments for loss of office.

5.7 Policy on payment for loss of office

Senior managers' service contracts include a six-month notice period. In the event of a contract being terminated the payment for loss of office will be determined by the Nomination and Remuneration Committee. Payment will be based on contractual obligations. Payment for loss of office will not be made in cases where the dismissal was for one of the five "fair" reasons for dismissal.

5.8 Statement of consideration of employment conditions elsewhere in the Trust

No formal consultation with employees took place in preparing the senior manager remuneration policy. However, consideration is given to the pay and conditions of employees on Agenda for Change and relevant national guidance. In determining non-incremental pay uplift for executive directors, consideration is given to any national pay award decision and to appropriate national guidance.

5.9 Senior managers pay progression

At appointment, a director is placed at the appropriate point on the salary scale as determined by the Remuneration Committee having considered previous experience.

The Nomination and Remuneration Committee is firm in the view that progression through the salary ranges should not be automatic or linked to the length of service but should be a true reflection of performance in the role as assessed through an effective appraisal system.

For Directors other than the Chief Executive, the Chief Executive provides the Nomination and Remuneration Committee with a report on each Director summarising the achievement of specific objectives within the wider frame of the performance for the whole organisation. The award may also be constrained by affordability.

The senior pay policy makes provision for sums paid to be withheld or recovered if required.

5.10 NED remuneration policy

Non-Executive Directors are appointed for a three-year term of office. They must be considered independent at the time of appointment. A Non-Executive Director's term

of office may be terminated by the Council of Governors if the NED no longer meets the criteria for appointment as a NED. The governors are scheduled to discuss NED remuneration in June 2022.

5.11 Senior Manager's Remuneration policy table

For the purpose of the accounts and remuneration report the Chief Executive has agreed the definition of a "senior manager" to be Directors only.

The table below sets out component parts of our remuneration package for senior managers which comprises the senior managers' remuneration policy:

Element of pay	Link to strategy	Operation	Maximum Opportunity	Changes
Base salary	To set a level of reward for performing the core role	The aim is to offer benchmarked salary which the committee consider appropriate for experience and performance.	For each role there is an agreed salary scale. When reviewing salaries, the Committee take account of personal and organisational performance and any national award offered to the wider employee population	No
Taxable benefits	The current remuneration policy of the Trust does not make provision for taxable benefits or performance related bonuses			
Annual performance related bonuses				
Long term performance bonuses				
Pension related benefits	To provide pensions in line with NHS policy	Directors are automatically enrolled in the NHS final salary pension scheme on the same basis as all other colleagues within the NHS	Pension arrangements for the Chief Executive and all Executive Directors are in accordance with the NHS Pension Scheme. The accounting policies for pensions and other relevant benefits are set out in Note 1.9 to the accounts.	No

Table 8

5.12 Expenses paid to governors and directors

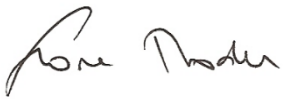
The majority of the expenses claimed by Directors were for travel costs.

	Directors		Governors	
	21/22	20/21	21/22	20/21
Total number of Directors/Governors in office	19	19	37	37
Number of Directors/Governors receiving expenses	4	3	0	0
Aggregate sum of expenses	£446.77	£1,523.36	£0	£0

Table 9

5.13 Remuneration

The tables below, *Table 10 and Table 11,* provide information which is subject to audit review about the salaries, allowances and pension and pension entitlements of employees and appointees.



Fiona Noden

Chief Executive

30 June 2022.

Salary and pension entitlements of senior managers

Name	Post	Contract End Date	2021/22							2020/21						
			Salary and fees (bands of £5k)	A	B	C	All Pension Related Benefits (£2.5K	D	Total (bands of £5k)	Salary and fees (bands of £5k)	A	B	C	All Pension Related Benefits (£2.5K)	D	Total (bands of £5k)
Fiona Noden	Chief Executive		185 - 190				187.5 - 190		375 - 380	165 - 170				252.5 - 255		420 - 425
Karen Meadowcroft	Chief Nurse	11/03/2022	120 - 125				55 - 57.5		175 - 180	30 - 35				50 - 52.5		80 - 85
Andy Ennis	Chief Operating Officer	31/12/2021	110 - 115				0 - 2.5		110 - 115	145 - 150				137.5 - 140		285 - 290
Annette Walker	Director of Finance		145 - 150				70 - 72.5		220 - 225	145 - 150				45 - 47.5		190 - 195
James Mawrey	Workforce Director		135 - 140				65 - 67.5		200 - 205	130 - 135				47.5 - 50		180 - 185
Sharon Martin	Director of Strategy		120 - 125				70 - 72.5		190 - 195	115 - 120				50 - 52.5		170 - 175
Francis Andrews	Medical Director		195 - 200				55 - 57.5		250 - 255	190 - 195				37.5 - 40		230 - 235
Rae Wheatcroft	Chief Operating Officer		30 - 35				110 - 112.5		140 - 145							
Marie Forshaw	Director of Nursing (interim)	31/12/2020								90 - 95				170 - 172.5		260 - 265
Malcolm Brown	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Rebecca Ganz	Non-Executive Director		15 - 20				-		15 - 20	15 - 20				-		15 - 20
Donna Hall	Trust Chair		60 - 65				-		60 - 65	60 - 65				-		60 - 65
Bilkis Ismail	Non Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15

Name	Post	Contract End Date	2021/22							2020/21						
			Salary and fees (bands of £5k)	A	B	C	All Pension Related Benefits (£2.5K	D	Total (bands of £5k)	Salary and fees (bands of £5k)	A	B	C	All Pension Related Benefits (£2.5K)	D	Total (bands of £5k)
Jackie Njoroge	Non Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Martin North	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Alan Stuttard	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Andrew Thornton	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Zed Ali	Non-Executive Director		0 - 5				-		0 - 5							

Table 10

A	Taxable benefits	C	Long term performance bonuses
B	Annual performance related bonuses	D	Total (£'000s)

Total Pension Entitlement

Name and title	Date commenced Snr Manager post	Date ceased Snr Manager post	No of days	Real increase in pension sum at pension age	Real increase in lump sum at pension age at 31 March 2022	Total accrued pension at pension age at 31 March 2022	Lump sum at age 60 related to accrued pension at 31 Mar 22	Cash Equivalent Transfer Value at 1 April 2021	Real Increase in Cash Equivalent Transfer Value funded by Employer	Cash Equivalent Transfer Value at 31 March 2022	Employers Contribution to Stakeholder Pension
				(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	
Fiona Noden	01/04/2020		365	7.5 - 10	17.5 - 20	80 - 85	185 - 190	1,470	201	1,706	
*Karen Meadowcroft	01/04/2021	11/03/2022	345	2.5 - 5	7.5 - 10	50 - 55	155 - 160	1,075	76	1,174	
*Andrew Ennis	01/04/2021	31/12/2021	275	0	0	0	0	1,704	0	0	
Annette Walker	17/07/2017		365	2.5 - 5	2.5 - 5	55 - 60	120 - 125	937	65	1,028	
James Mawrey	05/02/2018		365	2.5 - 5	2.5 - 5	35 - 40	70 - 75	532	48	603	
Sharon Martin	03/09/2018		365	2.5 - 5	5 - 7.5	50 - 55	110 - 115	885	68	975	
Francis Andrews	13/08/2018		365	2.5 - 5	0 - 2.5	65 - 70	140 - 145	1,268	67	1,363	
Rae Wheatcroft	01/01/2022		90	0 - 2.5	0 - 2.5	45 - 50	105 - 110	791	103	903	

* **Left Trust**

Table 11

Pension arrangements for the Chief Executive and all Executive Directors are in accordance with the NHS Pension Scheme. The accounting policies for pensions and other relevant benefits are set out in note 1.8 to the accounts.

6 STAFF REPORT

Our goal for Bolton is to be a great place to work, where our people can thrive and reach their full potential. The Workforce & Organisational Development Strategy which identifies our workforce priorities for the next three years is in place to help us deliver our goals. The People Committee is the sub-board committee charged with overseeing implementation of the strategy with updates being provided to the Board of Directors. Furthermore, the People Committee ratifies the Trust's Workforce Plans on an annual basis (agreed by both the Chief Nurse and Medical Director). These workforce plans are critical in helping to ensure the alignment of the Trust clinical workforce with the delivery of care, based on both demand/flow and demographics/acuity.

There are two standing agenda items relating to workforce on the Board of Directors which are presented bi-monthly. These are the Staff Story and our performance against key workforce metrics (including staffing levels). During the reporting period, the Board of Directors received an update on the delivery against the Strategy which focuses on the following four priorities for action:

- Health Organisational Culture,
- Sustainable Workforce,
- Capable Workforce,
- Effective Leadership and Managers.

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We recognise that a continued focus on enhancing the wellbeing of our workforce is required to support our staff to stay well. Pleasingly the sickness absence rates for the Trust are remain the lowest for Acute Trusts in Greater Manchester and one of the lowest in the North West. In line with the Health & Wellbeing plan and in response to the Covid19 pandemic, we were able to administer both doses of the Covid19 vaccine to 95.61% of our staff. Our flu vaccination rate for front line staff had over 50% of our frontline staff receiving the vaccination in 2021/2022.

Our vacancy rate is reported to the Board Committees and there is a strong focus on retention as we continue to compete in the changing labour market. Investment in our staff bank and the introduction of more competitive rates will help to address our demand for agency staff. The Trust also continues to recruit and retain international registered nurses as a valued part of our clinical teams. We remain committed to ensuring staff are regularly appraised and receive all of the required training to ensure they continue to be safe and effective in their roles. Whilst the appraisal target has dropped during the pandemic, plans are already in place to quickly deliver our target of 85%. Mandatory training compliance is recovering ground after the Pandemic.

6.1 Improving Staff Experience and Inclusion

Bolton NHS Foundation Trust is committed to become a great place to work where all staff feel valued and can reach their full potential. Our VOICE Behaviour Framework underpins the way we work together and with our patients to ensure that we provide

safe, high quality and compassionate care to very person every time. Our brilliant staff have experienced another challenging year in their career whilst working through the global pandemic. They have gone above and beyond for the people of Bolton and have felt they have been on an emotional roller coaster since the outbreak of the pandemic.

As a Trust we have worked hard to focus on improving staff experience and wellbeing and creating an inclusive culture. We have focused our efforts on series of key work programmes and interventions aimed at improving staff engagement levels. The Staff Experience Steering Group and EDI Steering Group are responsible for monitoring progress and report to the People Committee via their Chairs Reports.

6.2 Staff health and wellbeing

The past 12 months has continued to be a significantly challenging period for our employees both physically and emotionally as they have continued to respond to the COVID-19 pandemic. We enhanced and accelerated the delivery of our Staff Health and Wellbeing Strategy to ensure that our employees had a wide range of accessible and effective support which met their health and wellbeing needs. We recognise the importance of individuals putting on their own oxygen mask first before helping others to put on theirs and so we continue to promote self-care and provide line managers with the knowledge, skills and confidence to care for their teams.

Key developments and improvements include (this list is not exhaustive):

- Continuing to have an Attendance Team in place to support COVID-19 related absence.
- Enhancing our psychological and emotional support offer through the delivery of mental health sessions via Occupational Health Team and increasing the Counselling provision to respond to an increase in demand.
- Continuing to offer free car parking to staff on the RBH site and improving the onsite cycle storage facilities.
- Ensuring continued access to the Caring for Yourself and Caring for your Team resources. These sessions promoted self-care and provided advice, tools and support to increase resilience and improve health and wellbeing. This includes a series of webinars and guidance.
- Continuing to provide colleagues with access to the ShinyMind App, a tool to boost personal resilience and wellbeing.
- Distributing positivity packs, wellbeing donations, and self-care gift bags to our staff and providing team lunches and breakfasts to help boost team morale during challenging periods.
- Implementing virtual Schwartz Rounds in November 2021, which take place monthly via MS Teams. Schwartz Rounds are a safe reflective space for colleagues to reflect on the emotional and social aspects of their work. A Trauma Risk Management (TRiM) process was launched in January 2022 with 12 individuals across the organisation having completed the training to become a TRiM Practitioner. TRiM is a new peer support system which is available to

help any member of staff who may have experienced a traumatic, or potentially traumatic event, in or outside of work.

- There are currently around 25 champions in the Staff Wellness Champions Network, offering guidance and support to colleagues from across the organisation to embed best practice and learning to help improve workforce wellbeing and lead on initiatives in their own teams/departments. Improving the wellbeing of patients and colleagues who smoke through a series of interventions and strengthening the Trust's Smoke-free position. The Trust's Occupational Health Service have recently launched a new Smoking Cessation Service for colleagues.
- Supporting the COVID-19 vaccination programme, encouraging colleagues from across the Trust to receive their vaccination, in particular vulnerable groups such as the Trust's black, Asian and minority ethnic (BAME) workforce.
- Offering a range of free online fitness classes for colleagues to help improve physical fitness.

We have also continued to encourage colleagues to utilise the 'For a Better Bolton (FABB) Conversation Toolkit' for 121 and appraisal discussions. Through regular FABB check-ins and an annual FABB conversation the employee's wellbeing and engagement is at the heart of the conversation. The tool facilitates a more meaningful two-way conversation and the employee is encouraged to take greater responsibility for their wellbeing, engagement and development.

6.3 Equality, Diversity and Inclusion

Our Trust's EDI journey is going from strength to strength and we are keen to build on Bolton's identity and strengths. We continue to champion and celebrate difference, to nurture, support and develop diverse talent and reduce health inequalities for the diverse population of Bolton.

The Trust takes its commitment to EDI extremely seriously and has invested resources in strengthening the EDI Team to ensure that we deliver on our commitments. Our key developments and progress over the past year include:

- Being recognised in the 2020 NHS national staff survey as having a strong set of EDI scores, achieving higher than the average score for our comparator group.
- Our EDI Plan 2022-2026 has now been published on our internal and external websites. Our EDI vision is to 'Inspire and innovate to attract and embrace difference' The Plan states the ambitions to achieve that vision and how we will deliver our objectives, with strong Key Performance Indicators to keep us on track.
- Bolton was placed in the Top 10 best performing Trusts in the country when comparing white applicants appointed from shortlisting, compared to BME applicants. A great achievement and all of the Workforce Race Equality Standard data is regularly monitored at our EDI Steering Group meetings.
- The BAME Staff Network continues to play an active role in contributing to achieving an inclusive organisational culture. The Network has recently

appointed a new Chair and advises senior management on matters, reporting successes, co-designing and reviewing strategies policies and procedures and creating a safe space for BAME employees to discuss challenges and barriers. Membership of the Network includes both BAME colleagues and allies to ensure meaningful conversations and discussion, with a dedicated safe space agenda item for just BAME employees. Colleagues who currently attend include consultants, senior and non-senior staff from across the organisation.

- Listening sessions for staff living with disabilities and health conditions and LGBTQ+ staff took place. This gave staff the opportunity to talk confidentially about their lived experiences of working at the Trust. This enabled the EDI Team to gain momentum in developing additional Staff Networks to address specific needs of our workforce.
- Two additional Staff Networks were launched in February 2022 in the Trust - Disabilities and Health Conditions and LGBTQ+ Staff Networks. The Networks meet on a monthly basis and membership is increasing in each successive meeting.
- Our Go Engage quarterly pulse surveys have shown an increase in the number of staff feeling they can be themselves at work which supports our journey to becoming a truly inclusive workplace.
- Establishing a Transgender Equality Working Group to support improvements for transgender patients and staff. The group includes a range of people with lived experiences including a local trans resident, a trans employee, HR colleagues, clinical staff and LGBT colleagues from across the organisation. As a result, a Trans patient policy has now been developed and trans staff guidance is being finalised.
- Delivering an innovative BAME Leadership Development Programme which has been co-designed with our BAME Staff Network. Our hope is if the pilot programme evaluates as being successful then further cohorts will be funded and commissioned.
- Launching the phase one of the reciprocal mentoring programme which has initially involved BAME employee mentoring Executive Directors/senior managers.
- An inclusive recruitment action plan has been developed, which focuses on the NHSE/I requirement to reduce our race disparity ratios.
- Continuing to further embed our Equality Impact Assessment (EIA) process. We have seen an increase in the number of good quality EIAs being completed and we will keep this under review. An updated Equality Impact Assessment template has been developed which is more user friendly and additional training will be provided where required.
- Strengthening the Trust's interpretation and translation complaints handling process leading to speedier response timeframes and reporting via regular monitoring and assurance meeting and detailed reports. An Interpretation & Translation Task & Finish Group was established in 2021 to identify the challenges and provide solutions. A scoping document was agreed and will be

distributed internally amongst the workforce and externally to our communities to ensure we provide bespoke needs of our diverse communities

- An online Community Voices Event was held, focusing on race and culture, in order to discuss our EDI Plan ambitions, to engage with our diverse community groups, to identify their needs and support required. The event was attended by various community representatives, Executive Team members, Governors, Board members and various staff. The event was a huge success and great achievement. Future events that address other protected characteristic groups are being planned.
- Participating in a variety of national and local EDI awareness events and campaigns to affirm the Trust's commitment to inclusion including Black History Month, LGBT History Month, Disability History Month and Equality Diversity and Human Rights Week.

6.4 Future Priorities for Staff Experience and Inclusion

We are working on the new Trust People Plan in line with the Trust's Strategic priorities

The NHS Staff Survey again identified Bolton FT as the best Trust to work in GM and on the findings of the NHS National Staff Survey and quarterly pulse surveys our key priorities over the next 12 months include:

- **We are compassionate and inclusive** –

  we will further embed the Trust's VOICE Behaviour Framework into our people management processes and attraction and retention strategies.

  We will develop and launch a refreshed EDI training offer, a further cohort of the BAME Leadership Programme and support the new Staff Networks.

- **We are recognised and rewarded** – we will develop and launch a staff recognition toolkit for line managers and streamline the range of staff award schemes in operation.

- **We each have a voice that counts** – we will ensure mechanisms to hear the employee voice are embedded throughout the Trust including a review of how the National Quarterly Pulse Survey is implemented and enhance and embed the Trust's Freedom to Speak Up Guardian approach.
- **We are safe and healthy –** we will review and enhance the Trust's Staff Health & Wellbeing offer and initiatives including Sleep Well Campaign, Menopause, TRiM and Schwartz Rounds and the rollout of the holistic services offer via Occupational Health.
- **We are always learning** – we will increase the compliance and review the effectiveness of annual FABB conversations and check-in meetings
- **We work flexibly** – we will support the creation of the Corporate Service Hub in Dowling House and design and implement guidance and tools to enable individuals across the Trust to work flexibly in a hybrid way.

- **We are a team –** we will deliver the new Nursing Development (Bridging the Gap) Programme and a further cohort of the Medical Leadership Programme. We will launch and deliver the Trust's new Coaching and Mentoring Plan and the Trust's new FABB Leadership and Management Development Plan.
- **Staff Engagement** – we will continue to work with our workforce through team meetings, staff listening sessions, etc. and maximise incident reporting and complaints information to improve patient care. We will develop and deliver the Trust's Staff Retention Plan.
- **Morale –** we will design and deliver tailored staff morale boosting initiatives/interventions with divisions and teams.

6.5 Staff Engagement

Throughout the pandemic we have continued to actively seek feedback and ideas from our staff on how it feels to work for the Trust and where we need to make improvements. There has never been a more important time to seek staff feedback through our quarterly Go Engage pulse surveys and the NHS national staff survey.

6.6 Staff Engagement Approach

Our approach to enhancing staff engagement levels across the Trust is very much informed and shaped by staff feedback, which is captured via staff surveys, listening sessions or through other conversations.

We want everyone to feel psychologically safe to raise concerns and so we are continuing to further embed our Freedom to Speak up Approach. The FTSU Network has gone from strength to strength, and we now have 30+ champions across the Trust from diverse backgrounds and job roles.

It is critical that we listen to, understand and respond to staff feedback, good or bad, we want to hear and it helps to create a better future for everyone.

We continue to deliver a COVID-19 safe on-boarding process with the Chief Executive presenting on the Trust induction sessions and then meeting with new employees six weeks after joining us to share their experiences. This approach was positively received by new colleagues, with some saying, it's "the best welcome they have ever received to an organisation". The feedback we gain through the six week check-ins enable us to resolve any issues at the earliest opportunity and amplify good practice.


Vision | Openness | Integrity | Compassion | Excellence
NHS
Bolton
NHS Foundation Trust
... for a better Bolton awards 2021

FABB Awards 2021

A huge part of our calendar is our Annual FABB Staff Awards 2021, which were held virtually due to the ongoing restrictions of the pandemic. The FABB Awards provided an opportunity to showcase some of the achievements and offered us the opportunity to reflect on the challenging times and the role that our members of staff played in supporting our patient and each other.

We received 550 nominations from staff and members of the public.

The winners were:

Award	*2021 Winner*
Dream Team A	Anaesthetics, Theatres, Critical Care and Pain Management Department Admin Teams
Be Bold Award	Ophthalmology Service
Be Honest Award	Freedom to Speak Up Network
Be Inclusive Award	Abigail Giles, Laboratory Medicine
Be Kind Award	Elliot Hailwood, MSK Physiotherapy
Be Positive Award	Ian Davies, Health Improvement Practitioners
Collaboration Award	ASSD Senior Team, *Lianne Robinson, Maddie Szekely, Francesca Dean* *BMI, Beaumont Wyn Davies and Izzy Kearney*
Outstanding Leader Award	Michelle Cox, Diagnostic & Support Services Divisional Management
Unsung Hero Award (clinical)	Elizabeth Ribchester, Mortuary
Unsung Hero Award (non-clinical)	Bereavement and Patient Services
Partnership Award	Heavy Duty Cleaning Team, IFM Bolton
Chair and Chief Executive's	Victoria Fletcher-Simm, Staffside Chair
Executive's Choice Award	Ward D4

Table 12

6.7 NHS National Staff Survey

The Trust takes part in the annual NHS Staff survey, which is available for all substantive staff to provide us with their views, thoughts and experiences. This national platform allows the Trust to recognise and compare its achievements against other organisations and focus on areas of improvement. The past year has continued to be a difficult and challenging time for all of our staff and so it has been vitally important that they are able to share their views on what it is like to work at our Trust, and to share their experience, feedback and ideas.

The 2021 NHS Staff Survey which was open to the full workforce (excluding bank staff), took place between October to November 2021 and was conducted by the survey administrator, Quality Health. Whilst there was a slight decline of 1.8% as 2194 (38.9%) employees completed the survey compared to 2269 (40.7%) employees the previous year, this is comparable with the median for Acute Trusts nationally. We achieved an overall engagement score of 7.1, which is a slight decrease of -0.1 (on a ten-point scale) which evidences all the hard work and effort that colleagues across the organisation have put into improving staff experience.

For the fourth year running, the Trust achieved the highest overall staff engagement score compared to other Acute and Acute Community trusts in Greater Manchester.

The table below provides a high level overview of the key findings related to the organisation. Included within this breakdown is our position on relation to other *Trusts in Greater Manchester*: (highlighted text = highest scores)

Trust	Type	We are compassionate & inclusive	We are recognised &	We each have a voice that counts	We are safe & healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale	Response rate achieved
Bolton FT	Acute & Acute and Community	**7.5**	**6.2**	**7.0**	6.1	**5.5**	**6.2**	**6.9**	**7.1**	6.0	39%
Tameside FT		7.0	5.7	6.5	5.8	4.9	5.8	6.5	6.6	5.5	38%
Stockport FT		7.3	5.8	6.7	5.9	5.3	5.9	6.7	6.8	5.7	42%
Salford Royal		7.2	5.8	6.7	5.9	5.0	6.0	6.6	6.8	5.7	44%
Pennine Acute		7.0	5.5	6.5	5.7	4.8	5.7	6.3	6.5	5.5	45%
Northern Care Alliance (combined score)		7.1	5.7	6.6	5.9	4.9	5.9	6.5	6.7	5.6	44%
Wrightington, Wigan & Leigh FT		7.3	6.0	6.8	**6.2**	4.9	**6.2**	6.7	7.0	**6.1**	30%
Manchester FT		7.1	5.7	6.6	5.8	5.1	5.7	6.5	6.7	5.6	30%
Overall Acute & Acute and Community Benchmark		***7.2***	***5.8***	***6.7***	***5.9***	***5.2***	***5.9***	***6.6***	***6.8***	***5.7***	***46%***
The Christie	Acute Specialist	7.6	6.2	7.0	6.2	5.5	6.3	6.8	7.3	6.0	44%
East Cheshire	Acute & Community	7.4	6.0	6.8	6.0	5.1	6.2	6.7	6.9	5.8	42%
GMMH	Mental Health & Learning Disability	7.4	6.3	6.8	6.0	5.5	6.6	7.0	6.8	5.8	47%
Pennine Care FT		7.4	6.3	6.9	6.2	5.4	6.8	6.9	7.0	6.0	36%

Table 13

In summary, our Trust improved question scores in 15 questions, stayed the same in 12 question scores and has deteriorated in 35 question scores when compared to our 2020 results. When we compare our 2021 question scores to the results for our national comparator group, we have scored higher on 92% of questions (90 questions) and lower on 8% of questions (8 questions).

The table below shows the three questions that have most improved and the three questions which have most deteriorated when compared to our 2020 results

Theme	Question	2020 % score	2021 % score	Variance
Your Health, Wellbeing and Safety at Work	16c (3) - on what grounds have you experienced discrimination? – Religion	11%	3%	↓ **8%**
	16c (1) – on what grounds have you experienced discrimination? - Ethnic background	35%	31%	↓ **4%**
	17a – I would feel secure raising concerns about unsafe clinical practice	75%	79%	↑ **4%**
Your Health, Wellbeing and Safety at Work	16c (2) – on what grounds have you experienced discrimination? – Gender	17%	30%	↑ **13%**
	11d - in the last three months' have you ever come to work despite not feeling well enough to perform your duties?	44%	54%	↑ **10%**
Your Job	3i – there are enough staff at this organisation for me to do my job properly	40%		↓ **10%**

Table 14

The table below shows the areas that have not improved in 2021 but had previously improved in 2020.

Question	Trust Results 2021	Trust Results 2020	Variance	Comparator 2021	Comparator 2020	Variance
Care of patients / service users is my organisation's top priority?	80%	83%	↓3%	76%	80%	↓4%
I would recommend my organisation as a place to work?	63%	68%	↓5%	58%	67%	↓9%
If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation?	68%	75%	↓7%	67%	74%	↓7%
The last time you experienced harassment, bullying or abuse at work, did you or a colleague report it?	45%	49%	↓4%	47%	46%	↑1%

Table 15

6.8 Alignment with the People Promise

New for 2021, the survey results are mapped to seven elements from the NHS People Promise and against two of the themes reported in previous years (Staff Engagement and Morale). The report also includes new sub-scores, which feed into the People Promise elements and themes.

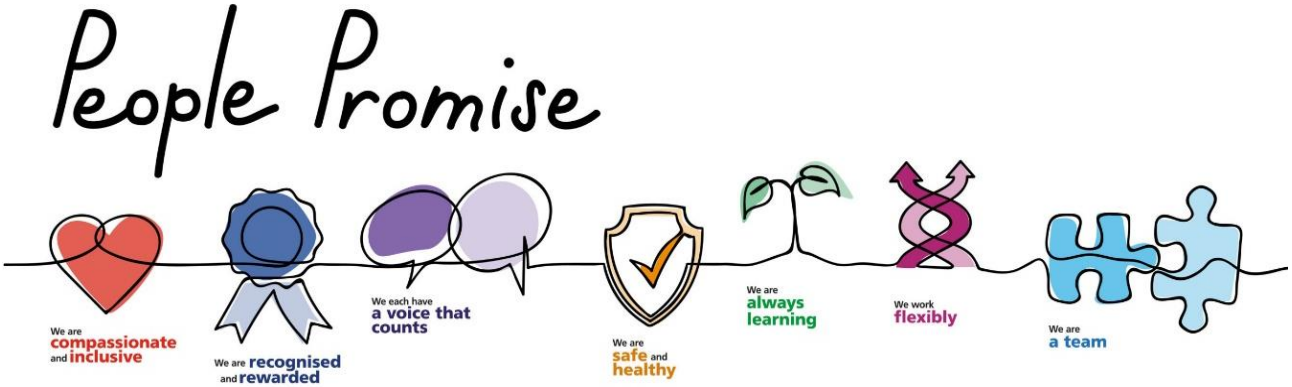


Figure 3

In summary, when we compare our theme scores against our national comparator group, our Trust has scored higher than the average scores for all seven of the People Promise elements and the two themes of Staff Engagement and Morale. These scores provide further evidence of the increased focus the Trust has given to recognise our staff through the monthly FABB Awards during the COVID-19 pandemic and our staff engagement plans to ensure that employee voice is listened to and action taken as a result.

Trust's overall theme scores compared to our national comparator group.

People Promise Element	2021	2021 Comparator Average Score	Difference
We are compassionate and inclusive	7.5	7.2	+0.
We are recognised and rewarded	6.2	5.8	+0.
We each have a voice that counts	7.0	6.7	+0.
We are safe and healthy	6.1	5.9	+0.
We are always learning	5.5	5.2	+0.
We work flexibly	6.2	5.9	+0.
We are a team	6.9	6.6	+0.
Theme	**2021**	**2021 Comparator Average Score**	**Difference**
Staff Engagement	7.1	6.8	+0.
Morale	6.0	5.7	+0.

Table 14

6.9 Breakdown of Directors and senior employees by gender

A breakdown by gender of Directors, other senior employers and employees employed by the Trust is set out below:

Category	Female	Male
Directors (voting members of the Board)	67%	33%
Other senior employees	69%	31%
Employees	86%	14%
Total		

Table 15

6.10 Staff groups by gender 2021/2022

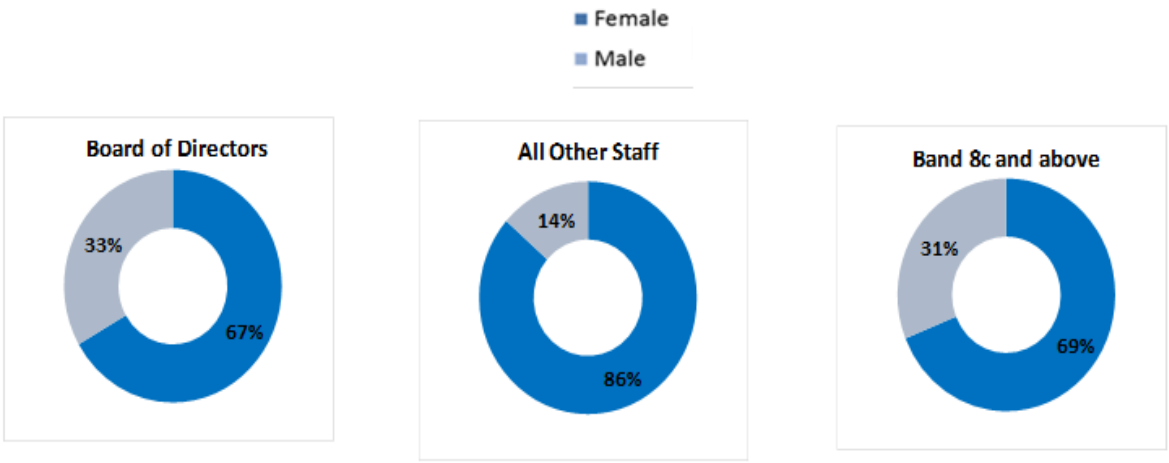


Figure 4

Our Gender Pay gap report can be found on our website or by reference to the Cabinet Office website (https://gender-pay-gap.service.gov.uk/)

6.11 Sickness absence data

The Trust Board recognises that sickness absence can have a detrimental impact on the organisation from both a quality and financial perspective. We work hard to ensure our staff are healthy and enjoy work and to see a year-on-year improvement in attendance. We have a comprehensive attendance management policy and encourage staff to seek professional medical support through our extensive occupational health and well-being services if needed.

Sickness absence rate is calculated by dividing the sum total sickness absence days (including non-working days) by the sum total days available per month for each member of staff).

The chart below shows the percentage of days lost to sickness during 2021/22

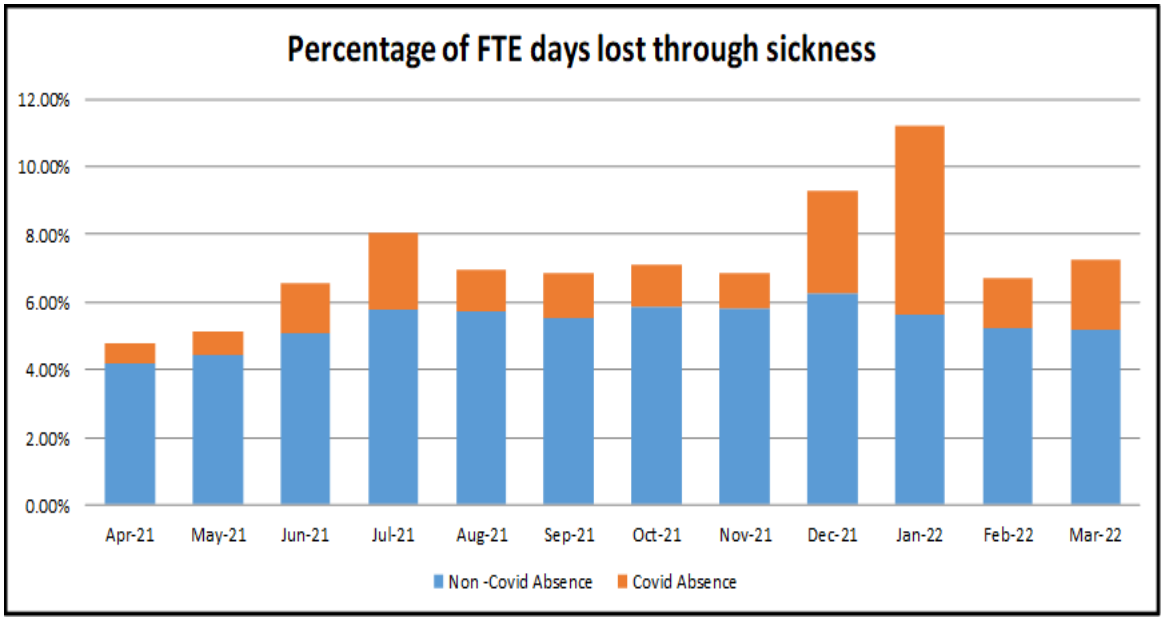


Figure 5

Sickness benchmarking information can be obtained here: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

6.12 Staff costs

			2021/22	2020/21
	Permanent	Other	Total	Total
	£0	£0	£0	£0
Salaries and wages	206,857	29,678	236,535	226,598
Social security costs	20,721	1,910	22,631	21,085
Apprenticeship levy	1,016	-	1,016	1028
Employer's contributions to NHS pension scheme	31,901	3971	35,872	34,081
Termination benefits	185	-	185	202
Temporary staff	-	17,785	17,785	8,052
Total gross staff costs	260,680	53,344	314,024	291,046
Of which				
Costs capitalised as part of assets	772	109	881	52

Table 15

6.13 Staff numbers – by professional group (average headcount)

	2021/2022			2020/21		
	Total	Permanent	Other	Total	Permanent	Other
Medical and dental	**606**	568	38	**569**	551	18
Ambulance staff	**0**			**0**		
Administration and estates	**1,477**	1,379	98	**1,415**	1,351	64
Healthcare assistants and other support staff	**1,192**	993	199	**1,170**	1,016	154
Nursing, midwifery and health visiting staff	**2,049**	1,816	233	**1,959**	1,820	139
Nursing, midwifery and health visiting learners	**0**			**0**		
Scientific, therapeutic and technical staff	**886**	854	32	**860**	833	27
Healthcare science staff	**0**			**0**		
Social care staff	**0**			**0**		
Other	**0**			**0**		
Total average numbers	**6,210**	**5,610**	**600**	**5,973**	**5,571**	**402**
Of which:						
Number of employees (WTE) engaged on capital projects		**18**	**17**	**1**	**1**	**1**

Table 16

7 Staff policies and actions

Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities:

We actively encourage applications from disabled individuals in accordance with the Equality Act 2010. As an organisation we are committed to employ, keep and develop the abilities of disabled staff and this is reflected in our Recruitment and Selection policy. During the recruitment process, we are committed to making adjustments where necessary. Candidates who have declared a disability need only to meet the essential criteria to be guaranteed an interview. The Resourcing Team ensure that any direct or indirect reference to discrimination is removed from all application forms and that equality and diversity information is removed from the shortlisting process.

Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period

We are committed to supporting staff to remain in work and have a Supporting Staff with Disabilities policy which is used for both newly recruited employees with a disability who make their needs known at the recruitment stage and those staff who are currently employed by the Trust who become disabled whilst in employment. The policy ensures that NHS guidance, advice and necessary training is provided to managers.

Policies applied during the financial year for the training, career development and promotion of disabled employees

All policies are subject to an Equality Impact Assessment at the point of development to ensure all equality strands are assessed and evidenced prior to policy implementation.

In relation to disabled employees, the HR team give expert advice on the need for reasonable adjustments to be made to ensure that there is equal access to training and development and promotion opportunities.

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees

The Trust deploys a range of strategies to provide staff with timely information about matters that may be of concern to them. This ranges from weekly bulletin, a monthly staff newsletter, monthly Executive led Team Brief Broadcast, alongside team meetings that cover a variety of practice-based topics.

We have implemented a range of innovative programmes as part of the Board's commitment to 'listen and act', including the Chief Executive's 'tea with Fi', divisional road shows and engagement meetings with staff. These meetings have proved extremely popular with staff as a means of both raising issues and keeping up to date with relevant information. To complement, this Executive Directors undertake regular

visits to different wards and departments across hospital and community teams to gain feedback from staff working at the front line.

Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests

During periods of transition, communication with staff is seen as a priority to ensure that all staff are fully informed at each step of the development, as well as being part of the on-going consultation process. The Trust will continue to engage, consult and work positively with staff side to foster true partnership working and ensure that the Trust and its employees are able to move forward and meet the challenges ahead.

The Trust meets formally with staff side representatives on a regular basis through a range of formal and informal meetings including formally agreed consultation processes. The formal vehicles where management and staff side meet to deal with employee relations issues, include:

- The Joint Negotiation and Consultative Committee (JNCC), which meets monthly.
- The divisions have collaborative meetings which meet monthly and deal with pressing local issues within the divisions that can be dealt with quickly to enable good working relationships.
- The Local Negotiating Committee (LNC), which meets quarterly with local and regional medical representatives to discuss the strategic overview for the medical workforce, policies, workloads, clinical excellence awards, rotas, recruitment and junior doctors.

7.1 Information on health and safety performance

Health and Safety is governed through the Trust's Health and Safety Group (not a Board Committee but an operational group) which reports to the Quality Assurance Committee. This Group involves key stakeholders from both the Trust and iFM, management and includes staff representation in order to meet the requirements of various Health and Safety acts and regulations.

The Group meets bi-monthly to identify actions and plan progress against Trust requirements. Regular reports on performance for both health and safety are discussed and escalated through Chair's Report to the Quality Assurance Committee.

7.2 Occupational Health

The Trust offers a comprehensive range of interventions to support the health and wellbeing requirements of its staff. Our Occupational Health service is delivered in-house and since then has successfully recruited to a number of posts. As well as continuing to provide Occupational Health services such as pre-employment health checks, health referrals, flu inoculations and proactive health interventions such as fast track physiotherapy referrals and mental health drop-in sessions, the service is now offering staff smoking cessation sessions as well as a range of holistic therapies to staff.

7.3 Information on policies and procedures with respect to countering fraud and corruption.

We have a Counter Fraud and Corruption Policy in place. A counter fraud annual work plan is agreed with the Director of Finance and approved by the Audit Committee. The local counter fraud specialist is a regular attendee at Audit Committee meetings to report on any investigatory work into reported and suspected incidents of fraud and to provide an update on the on-going programme of proactive work to prevent potential fraud.

7.4 Facility Time

Facility time is time off from an individual's job, granted by the employer, to enable a rep to carry out their trade union role. In some cases, this can mean that the rep is fully seconded from their regular job, enabling them to work full time on trade union tasks.

Facility time covers duties carried out for the trade union or as a union learning representative, for example, accompanying an employee to disciplinary or grievance hearing. It also covers training received and duties carried out under the Health and Safety at Work Act 1974

In accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017 which took effect on 1 April 2017 the tables below which have been approved by our chair of Staffside provide information on facility time within the Trust.

7.5 Percentage of pay bill spent on facility time

We support funded seconded release for staff representatives and therefore trade union activities are included in the facility time above and not differentiated.

Number of employees who were relevant union officials during 2021/22

Number of employees who were relevant union officials during the relevant period	**7**	*Full-time equivalent employee number*	**4.1**
Percentage of time spent on facility time		**Percentage of pay bill spent on facility time**	
Percentage of time	Number of employees		
0%	0	total cost of facility time	£172,529
1-50%	3	total pay bill	£290,799,929
51%-99%	1	percentage of the total pay bill spent on facility time	0.06%
100%	3		

Table 17

7.6 Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance

We actively encourage the involvement of our employees at all levels in all aspects of performance. Activities during 2021/22 include:

- Involvement of our staff in fundraising and health promotional activities
- Use of our staff friends and family survey data in local sessions with teams to strengthen engagement and improve the staff experience.
- Tea with Fi our Chief Executive Officer, and our Executive buddy programme.

7.7 Expenditure on consultancy

Expenditure on Consultancy related spend was £0 in 2021/22.

7.8 Off payroll engagements

Statement on off payroll arrangements

Our policy for off payroll arrangements is in line with the guidance provided by NHSE and based on HM Treasury guidance that:

- board members and senior officials with significant financial responsibility should be on the organisation's payroll, unless there are exceptional circumstances – in which case the Accounting Officer should approve the arrangements – and such exceptions should exist for no longer than six months.
- engagements of more than six months in duration, for more than a daily rate of £220, should include contractual provisions that allow the department to seek assurance regarding the income tax and NICS obligations of the engagee – and to terminate the contract if that assurance is not provided.

We have established processes in place by which the need for employees can be assessed and the appropriate individuals recruited. While our preference is to employ our own staff, the need may arise from time to time to cover areas of work which are specialist and outside our current areas of expertise and/or; particular circumstances dictate that someone outside the Trust should be engaged (e.g. certain investigations).

In such cases a determination is made as to which method of resourcing is most appropriate. Our preferred order of consideration would generally be

- Employment
- Agency
- Self-Employed Contractor (off-payroll)

The tables below provide detail of off-payroll engagements of more than £245 per day lasting for longer than six months

7.9 Existing off-payroll engagements as of 31 March 2022

No. of existing engagements as of 31 March 2022	0
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

Table 18

7.10 New off-payroll engagements and those that reached six months in duration between 1 April 2021 and 31 March 2022, for more than £245 per day and that last for longer than six months.

No. of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	0
Of which...	0
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to trust and are on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Table 19

7.11 Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022

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

Table 20

7.12 Fair Pay multiple

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce

	2021/22	2020/21	2019/20
Highest paid director salary	195,722	191,455	213,893
Median Salary	27,780	26,970	26,220
*25th percentile	21,777	21,142	
*25th percentile ratio	8.99	9.06	
*75th percentile	39,027	37,890	
*75th percentile ratio	5.02	5.05	
Median Salary Ratio	7.05	7.14	8.1
Employees receiving remuneration in excess of the highest paid director.	0	0	0
Remuneration range	9-196	9 - 191	8 - 214

New requirement for 2021** ***Table 21

Total remuneration does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions."

7.13 Payments for loss of office and to past senior managers

No payments have been made for loss of office or to past senior managers during the reporting year 2021/22.

7.14 Exit Packages

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Cost of other departures agreed	Total number of exit packages		Total cost of exit packages £000	
	21/22	20/21	21/22	20/21	21/22	21/22	20/21	21/22	20/21
<£10,000			27	34	89	27	34	89	
£10,001 - £25,000		1	6	3	95	6	4	95	
£25,001 - 50,000				1			1		
£50,001 - £100,000									
£100,001 - £150,000									
£150,001 - £200,000									
>£200,000									
Total	**0**	**1**		**38**	**184**	**33**	**39**	**184**	**203**

New for 2021/22** ***Table 22

7.15 Exit packages: non-compulsory departure payments

Exit packages: other (non-compulsory) departure payments	No. of Payments agreed		Total value of agreements £000	
	21/22	20/21	21/22	20/21
Voluntary redundancies including early retirement contractual costs		2		10
Mutually agreed resignations (MARS) contractual costs	5	3	70	34
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	28	33	114	139
Exit payments following employment tribunals or court orders				
Non-contractual payments requiring HMT approval (special severance payments)*				
Total**	**33**	**38**	**184**	**183**
of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary				

Table 23

8 STATEMENT OF COMPLIANCE WITH THE CODE

The NHS Foundation Trust Code of Governance (FT Code) most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012 and contains guidance on good corporate governance. NHS Improvement recognises that departure from the specific provisions of the Code may be justified in particular circumstances, and reasons for any non-compliance with the code should be explained. We have applied the principles of the FT Code on a "comply or explain" basis, which is in line with best practice and has been applied successfully within by NHS Foundation Trusts. There are no provisions within the NHS Foundation Trust Code of Governance that we did not comply with during 2021/22.

The Director of Corporate Governance reviews our compliance with the FT Code for the Audit Committee. The Audit Committee considered this report at its meeting on 02 March 2022 and agreed that the Trust complied with all the main and supporting principles of the Code of Governance.

The Code is implemented through key governance documents, policies and procedures of the Trust, including but not limited to:

- The Constitution
- Standing Orders
- Standing Financial Instructions
- Scheme of Delegation
- Schedule of Matters Reserved for the Board
- Code of Conduct (for Directors, for Governors and for Senior Managers)
- Staff Handbook
- Governor Handbook.

8.1 Summary Schedule of Matters Reserved for the Board

The Schedule of Matters Reserved for the Board details the decisions and responsibilities reserved to the Council of Governors, the Board of Directors, and those delegated to the agreed committees of the Board of Directors.

In the event of any unresolved dispute between the Council of Governors and the Board of Directors, the Chair or the Director of Corporate Governance may arrange for independent professional advice to be obtained for the Foundation Trust. The Chair may also initiate an independent review to investigate and make recommendations in respect of how the dispute may be resolved.

The overall responsibility for running an NHS Foundation Trust lies with the Board of Directors. The Council of Governors is the collective body through which the directors explain and justify their actions; the council should not seek to become involved in the running of the trust.

Directors are responsible and accountable for the performance of the Foundation Trust; governors do not take on this responsibility or accountability. This is reflected in the fact that directors are paid while governors are volunteers.

The NHS Foundation Trust Code of Governance also sets out a number of disclosure requirements and these are provided below.

8.2 The Council of Governors

The Council of Governors meets formally in public every two months – during 2021/22 all meetings continued to be held virtually to ensure compliance with lockdown and social distancing requirements. As set out in Our Constitution, our Council of Governors consists of 34 governors of which there are

- Six public governors from Bolton West constituency
- Six public governors from Bolton North East constituency
- Six public governors from Bolton South East
- Two public governors from Rest of England constituency
- Nine appointed partner governors
- Six staff governors

The role of the governor is to:

- hold the Non-Executive Directors individually and collectively to account for the performance of the board of directors
- to represent the interests of NHS foundation trust members and of the public
- Set the terms and conditions of Non-Executive Directors
- Approve the appointment of future Chief Executives
- Appoint or remove the Trust's external auditor
- Consider the annual accounts, annual report and auditor's report
- Be consulted by the Board of Directors on the forward plans for the Trust.
- Approve changes to the constitution of the Trust
- Take decisions on significant transactions
- Take decisions on non NHS income.

The Governors have not had cause to exercise their power to require one or more of the directors to attend a governors' meeting. The Executive and Non-Executive Directors attend the majority of Governor meetings to provide information about the performance of the Trust and to develop the relationship between the two bodies.

Governors have a responsibility to canvass the opinions of the Trust's members and the wider public regarding their views on the forward plans of the Trust. The

restrictions on public meetings have limited the engagement governors have had with members however where possible Governors have attended the public engagement events described earlier in this report to seek the views of members and the wider public.

The table below provides an overall view of our Council of Governors during 2021/22.

Name	Area	Date Elected	End of tenure	Meeting attendance
Public Governors				
Oboh Achioyamen	Bolton North East	October 2020	September 2023	3/6
Mohammed Iqbal Essa	Bolton North East	October 2020	September 2023	5/6
Jane Lovatt	Bolton North East	October 2019	September 2022	4/6
Margaret Parrish ★	Bolton North East	October 2019	September 2022	3/6
Jack Ramsay	Bolton North East	October 2020	September 2023	3/6
Jim Sherrington	Bolton North East	October 2021	September 2024	0/6
Alan Yates	Bolton South East	October 2021	September 2024	1/2
Derek Burrows	Bolton South East	October 2019	September 2023	4/6
Kantilal Khimani	Bolton South East	October 2019	September 2022	2/6
Champak Mistry	Bolton South East	October 2019	September 2022	1/6
Kayonda Hubert Ngamaba	Bolton South East	October 2019	September 2022	4/6
Sorie Sesay	Bolton South East	October 2019	September 2022	0/6
David Barnes	Bolton West	October 2021	September 2024	2/2
David Edwards	Bolton West	October 2021	September 2024	2/2
Laila Dawson	Bolton West	October 2018	September 2021	0/4
Janice Drake	Bolton West	October 2020	September 2023	6/6
Grace Hopps	Bolton West	October 2020	September 2023	5/6
Pauline Lee	Bolton West	October 2021	September 2024	6/6
Janet Whitehouse ★	Bolton West	October 2020	September 2023	6/6
Karen Morris	Out of Area	October 2020	September 2023	4/6
Bill Crook	Bolton South East	October 2018	September 2021	4/4
Kemi Abidogun	Bolton West	October 2018	September 2021	0/4
Hilary Collins	Out of Area	October 2020	September 2023	0/4
Staff Governors				
Dipak Fatania	All other staff	October 2019	September 2022	4/6
Tracey Holliday	Nurses & Midwives	October 2020	September 2023	5/6
Martin Anderson	AHPs & Scientists	October 2020	September 2023	5/6

Alan Physick	All other staff	October 2021	September 2024	1/2
Susan Moss	Doctors & Dentists	October 2021	September 2024	2/2
Janet Roberts	Nurses & Midwives	October 2020	September 2019	2/5
Abhijit Sinha	Doctors & Dentists	October 2018	September 2021	0/4

Table 24

Key			
1st term of office	**2nd term of office**	**3rd (final) term of office**	**Term ended**
★ Chair of a sub-committee and one of the two lead governors.			

8.3 Appointed Governors

Name	Representing	Date Appointed	Meeting Attendance
Ann Schenk	Bolton Healthwatch	December 2020	6/6
Jane Howarth	Bolton University	July 2014	0/6
Dawn Hennefer	Salford University	September 2014	4/6
Susan Baines	Bolton Metropolitan Borough Council	April 2019	4/6
Susan Baines	Bolton Metropolitan Borough Council	July 2021	2/6
Samir Naseef	Bolton Local Medical Committee	November 2012	0/6
Leigh Vallance	Bolton Local Council for Voluntary Services	July 2014	5/6

Table 25

8.4 Elections to the Council of Governors

Our Elections were held according to the constitution in September 2021. Results were as reported in Table 26 below.

Seat	Turnout	Governors Elected
Bolton North East	16.1%	Jim Sherrington
Bolton West	18.60%	Pauline Lee David Edwards David Barnes
Bolton South East	12.31%	Alan Yates
Doctors and Dentists	20.23%	Susan Moss
All other staff	Uncontested	Alan Physick

8.5 Lead Governor

In consultation with the Chair and the Director of Corporate Governance, the Council of Governors decided to nominate the two chairs of the sub-committees to jointly act as lead governor. The lead governor role is undertaken in accordance with Monitor guidance as the point of contact between the regulator and the Council of Governors with no additional responsibilities.

In 2021/22, the Governors fulfilling these roles were Margaret Parrish and Janet Whitehouse.

8.6 Directors' and Governors' Register of Interests

A register is kept of Directors' and Governors' interests. In accordance with guidance this register is published on our website and is available on request.

In accordance with the disclosure requirements, the Chair at the time of her appointment advised the Council of Governors of her appointments as Chair of the National Local Government Association. Since her appointment, the Chair has formally advised the Governors of additional interests as below:

- Associate Professor University of Manchester
- Donna Hall Consulting Ltd
- System Advisor NHS England
- Non-Executive Advisor Birmingham City Council
- Board Member Carnall Farrarr (from 1 April 2020)
- Chair PossAbilities learning disability social enterprise
- NED C Co Ltd (CIPFA)
- Member Nottingham City Council Improvement Board.

The Board of Directors and the Council of Governors enjoy a strong working relationship. The Trust Chair chairs both and acts as a link between the two. Each is kept advised of the other's progress through a number of systems, including informal updates via the Chair, ad hoc briefings, exchange of meeting minutes and attendance of the Board of Directors at the Council of Governors and by directors at Council of Governors sub-committees.

8.7 Developing understanding

The Board of Directors has taken steps to ensure that members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about their NHS Foundation Trust.

The Chair chairs both the Board of Directors and the Council of Governors and with the assistance of the Director of Corporate Governance is the link between the two bodies. The full Council of Governors meets a minimum of six times a year and these meetings are attended by representatives of the Executive Directors, the Senior

Independent Director and the Non-Executive Directors. The Governors' meetings provide the opportunity for the Governors to express their views and raise any issues so that the Executive Directors can respond.

In 2014 at the request of the Governors, the part two section of the Board of Directors was opened up for Governors to attend and observe. Governors have provided feedback in support of this change which has allowed them to gain a greater degree of the understanding of the work of the Board.

The Governors have two formal sub-committees dealing with Auditor appointment, and nomination and remuneration. These are attended by the Chair of Audit and Director of Finance (Auditor appointment) and by the Senior Independent Director (nomination and remuneration).

The Governors also have two sub-groups, each chaired by a Governor nominated by the group. These groups are attended by the Director of Corporate Governance and other members of Trust staff as required.

Regular training sessions are provided for Governors to ensure they gain a full understanding of the role.

The Trust recognises the importance of being accessible to members. Council of Governors meetings were over the Zoom virtual meeting platform to enable public engagement, until deemed safe to meet fully in public.

8.8 Balance, Completeness and Appropriateness

There is a clear separation of the roles of the Chair and the Chief Executive, which has been set out in writing and agreed by the Board. The Chair has responsibility for the running of the Board, setting the agenda and for ensuring that all Directors are fully informed of matters relevant to their roles. The Chief Executive has responsibility for implementing the strategies agreed by the Board and for managing the day to day business of the Trust.

The Board of Directors has continued to assess the independence of its Non-Executive Directors further to the requirements of the Code of Governance, and considers that each Non-Executive Director is independent in character and judgement.

The Board considers that the Non-Executive Directors bring a wide range of business, commercial, financial and other knowledge required for the successful direction of the organisation.

All Directors are subject to an annual review of their performance and contribution to the management and leadership of the Trust.

The external advisors used during 2021/22 have no other connections to the Trust.

8.9 Board of Directors

The Board of Directors comprises the Chair, Chief Executive, Deputy Chair, six other independent Non-Executive Directors and six Executive Directors. The formal public Board meetings are held on a bimonthly basis. Papers for the meeting including the minutes of the previous meeting are uploaded on the Trust website before each meeting.

The Directors have collective responsibility for setting strategic direction and providing leadership and governance.

The Scheme of Delegation which is included in the Trust's Standing Orders, sets out the decisions which are the responsibility of the Board of Directors and those which have been delegated to a sub-committee of the Board.

The Executive Directors of the Trust meet weekly to consider the operational management and the day to day business of the Trust. These meetings are supported by the control system described within our Annual Governance Statement on page 79.

9 AUDIT COMMITTEE

The purpose of the Audit Committee is to provide independent assurance to the Board that there are effective systems of governance, risk management and internal control for all matters relating to corporate and financial governance and risk management within the FT and iFM Bolton

In addition to the review of financial statements, other key activities during the period 1 April 2021 and 31 March 2022 were:

- Consideration of the Going Concern report prior to approval by the Board of Directors.
- Receiving reports from the internal and external auditors and providing oversight to ensure agreed recommendations are addressed.
- Reviewing the Board Assurance Framework to seek assurance that the risks to the Trust's strategic objectives are managed with mitigations in place.
- Receiving regular reports from the local counter fraud specialist to provide assurance of the on-going development of an anti-fraud culture and specific actions taken in relation to concerns raised both internally and through national fraud awareness initiatives.
- Reviewing compliance with the Code of Governance.
- *Reviewing proposed changes to the Standing Orders, Scheme of Delegation and Constitution and approving changes to the Trust's Standing Financial Instruc*tions.
- Receiving and providing oversight of regular reports on losses, waivers and variations.

The Audit Committee is constituted as a Group Audit Committee to provide oversight with regard to both the FT and its wholly owned subsidiary iFM Bolton.

The Committee met virtually on five occasions during the period 1 April 2021 and 31 March 2022.

Audit Committee Attendance		
Members		
Alan Stuttard (Chair)	Non-Executive Director	5/5
Bilkis Ismail	Non-Executive Director	4/5
Malcolm Brown	Non-Executive Director	5/5
Martin North	Non-Executive Director	5/5
Attendee		
Annette Walker	Director of Finance	5/5
Esther Steel	Director of Corporate Governance	4/4
Sharon Katema	Interim Director of Corporate Governance	1/1

Table 27

9.1 Chair of the Audit Committee

The Chair of the Audit Committee is Alan Stuttard, Non-Executive Director.

9.2 External Auditor

The appointment of KPMG as external auditors was made by the Council of Governors in accordance with NHSI guidance. The value of external audit services (excluding the review of the charitable funds accounts) is £87,500 *excluding VAT* for the Trust and £15,500 *excluding VAT* for iFM.

On occasion, the Trust may decide to request additional services from the external auditor. The Council of Governors delegated specific authority for commissioning additional services to the Trust's Audit Committee, subject to an overall policy cap on directly attributable fees which should not exceed 50% in aggregate of the approved annual statutory audit fee in any twelve-month period. This would be on the understanding that the Audit Committee takes responsibility for agreeing any specific areas of additional work to be undertaken and, in doing so, considers whether the external auditor or any other organisation is best placed to provide the service i.e. based on relevant experience, expertise in that particular area and value for money.

The Trust did not commission any non-audit services from its external auditor during 2021/22.

A key aspect of the Audit Committee's work is to consider significant issues in relation to financial statements and compliance. As part of the preparation for the audit of financial statements, our external auditor KPMG undertook a risk assessment and identified risks as laid out in the table below:

Issues	Mitigation
Valuation of land and buildings	Assessment of the competence, capability, independence and objectivity of the Trust's independent valuer Review of the instructions and data provided to the valuer Challenge of key assumptions
Fraudulent Expenditure recognition	Assessment of the controls for the purchase of goods Review of expenditure including testing expenditure recognition and inspection of invoices Accruals testing – year on year comparison Inspection of journals Agreement of balances exercise
Fraud risk from management override of controls	Testing of entries that are outside the Trust's normal course of business or are otherwise unusual Audit testing of controls over journal entries and post-closing adjustments External Audit review of register of interests and disclosure of any related party transactions Consideration of accounting judgements
Going Concern basis	Review of overall financial position at year end Review of going concern statement and future assumptions

Table 28

9.3 Internal Audit

Our Internal Audit services are provided by Price Waterhouse Cooper (PwC) following reappointment in 2019 for a two-year term with the option for two one-year rollover periods.

The Audit Committee receive and approve the Internal Audit plan and through the course of the financial year receive regular reports on progress against the plan, accompanied by detailed reports providing the findings, recommendations and actions agreed following the audits agreed in the plan.

The plan provides evidence to support the Head of Internal Audit's opinion which in turn informs the Annual Governance Statement.

9.4 Internal Audit Annual Workplan

The following table summarises the internal audit reports received during 2021/22. Actions were agreed to address the recommendations identified within these reports with the higher risk findings treated as a priority.

Included in the table are Procurement, Governance, Key Financial Controls and Budgetary Controls that cover both the Trust and iFM. These reviews were considered as part of iFM's and the Trust Head of Internal Audit Opinion.

Report	**Risk rated**
**Governance and Risk Management*	Low
Quality Governance	Medium
**Key Financial controls*	Low
Governance and Committee Effectiveness	Low
Key Financial Controls	Low
Cost Improvement Plans	Low
Budgetary Controls	Low
Procurement	Medium
IT General Controls/ IT Strategy	Advisory
IT Projects	Low
Workforce, HR and OD	Medium
Freedom to speak up	Low
Complaints Process	Advisory
**Discharging (Criteria to reside)*	Medium
iFM Enterprise Asset Management (EAM) –phase 2	High
iFM Capital Projects – CDM	Medium

indicates report in draft at time of writing** ***Table 29

10 MEMBERSHIP

10.1 Membership strategy

We are committed to building a membership that is representative of and reflects the local communities we serve in terms of disability, age, gender, socio-economics, sexuality, ethnic background and faith. Through our members, we can really get to know what the public wants and, more importantly, act on that as our services evolve.

10.2 Public members

Membership of the Trust is open to anyone who resides in England although we would expect the majority of our members to reside in Bolton and the surrounding areas of Salford, Wigan, Bury and South Lancashire. There is a lower age limit of 14 but no upper age limit. There are no limits on the number of people who can register as members.

Public members are placed in constituencies based on the three Bolton Parliamentary constituencies with a fourth area of the constituency for “out of area” members.

10.3 Staff members

We have an opt out arrangement in respect of staff membership. Under this arrangement, staff will automatically be registered as a member of the Trust unless they have completed an opt out. Staff membership is open to everyone who is employed by the Trust full or part time. Staff working for the Trust’s subsidiary company iFM Bolton are also eligible for staff membership. Staff membership ceases at the point that the member leaves the service of the Trust, but individuals can then choose to become a public member.

10.4 Benefits of membership

Although there are no financial benefits to FT membership, there are also no costs. There is, however, much satisfaction in being in a position which can help local people and local services. There are no benefits to members in terms of access to services. We will use our members as a valuable resource calling on those who have expressed a willingness to participate in surveys and focus groups to gain a snapshot view of the user’s perspective.

10.5 Membership recruitment

We aim to continue recruiting new members and are using a variety of methods to ensure we reach as many people as possible. People wishing to join can do so by registering online at www.boltonft.nhs.uk or by calling 01204 390654.

Contact procedures for members that wish to communicate with Governors and/or Directors

Members who wish to communicate with Governors or Directors may do so by email to *sharon.katema@boltonft.nhs.uk* or by post c/o the Director of Corporate Governance.

10.6 Membership Statistics

Public Constituency	
At year start (1 April 2020)	5013
At year end (31 March 2021)	4958
At year end (31 March 2022)	4949
Staff Constituency	
At year start (1 April 2021)	5729
At year end (31 March 2022)	5885

Table 30

10.7 Analysis of current public membership

Public Constituency	Number of members	Eligible membership
Age		
0 - 16	7	4,721
17- 22	189	16,073
22+	4,517	207,170
Not known	240	
Ethnicity		
White	3120	226,645
Mixed	50	4,892
Asian or Asian British	598	38,749
Black or Black British	124	4,652
Other	81	1,848
Not known	865	
Gender		
Male	1,679	143,670
Female	3,147	145,340
Not known	121	
Socio-economic groupings:		
AB	1,122	20,282
C1	1,337	35,634
C2	1,066	25,636
DE	1,293	40,231

Table 31

11 NHS SINGLE OVERSIGHT FRAMEWORK

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

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place.

11.1 Segmentation

Bolton NHS Foundation has been assessed as **Segment 2**

This segmentation information is the Trust's position as at 16 May 2022. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Statement of the Chief Executive's Responsibilities as the Accounting Officer of Bolton NHS Foundation Trust

Statement of Accounting Officer's Responsibilities

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Bolton 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 Bolton NHS Foundation Trust and of its income and expenditure, items of other 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 Group Reporting Manual and the NHS Foundation Trust Annual Reporting Manual and in particular to:

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

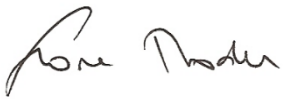
The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting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

taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Signed



Fiona Noden

Chief Executive,

Date 30 June 2022

ANNUAL GOVERNANCE STATEMENT 2021/22

1. SCOPE OF RESPONSIBILITY

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

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 [insert name of provider] NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bolton NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

2. CAPACITY TO HANDLE RISK

2.1. Leadership

As Accounting Officer, I am accountable for the quality of the services provided by the Trust and have overall accountability and responsibility for leading our risk management arrangements on behalf of the Board. To support this role there are clear systems of accountability within the organisation with each Executive Director having specific areas of responsibility.

Our Executive team is supported by a divisional management structure consisting of five clinical divisions. Each division is led by a triumvirate team consisting of a Divisional Director of Operations, a Divisional Medical Director and a Divisional Nurse Director. Each of the Clinical Divisions provides a detailed quarterly report to the Quality Assurance Committee.

The Board of Directors monitor management capability, financial resources, staff skills and knowledge, to ensure the processes and internal controls work effectively. Leadership and management of the risk management process is provided through:

- The Board of Directors, which is responsible for overseeing all aspects of risk management and setting its risk appetite.

- The Audit Committee has overall responsibility for the systems of internal control and is responsible for receiving and reviewing assurance process associated with managing risk within the organisation.

- The **Risk Management Policy** sets out details of the risk management structure and key risk manager roles. The role of the Board and standing committees is detailed, together with the individual responsibilities of the Chief Executive, Executive Directors and all staff in managing risk.

- We have an established committee structure that provides the mechanisms for managing and monitoring clinical, operational, financial and information governance risks throughout the Trust.

- This committee structure extends to our wholly owned subsidiary iFM Bolton which has reporting lines into our key committees.

2.2. Performance monitoring

The integrated performance report provides comprehensive information to the Board of Directors, its sub-committees and to the divisions. The report includes a ward to board heat map to provide ward level information. Operational focus on organisational performance is conducted through the Executive led Integrated Performance Meetings, holding each Division to account for their performance. The structure and content of the Board performance report uses Statistical Process Control (SPC) charts to plot data over time and highlight variation.

Our Committees review and monitor the *Integrated Performance Report and w*here concerns are identified, the committees may seek clarification or further assurance that the issues are being managed and may escalate any concerns to the Board, ensuring that the Board is apprised of, and can challenge the planned actions.

In addition, the Quality Assurance Committee receives the Quality Ward dashboard, which provides an overview of quality standards on wards and in clinical areas to identify key themes, trends and opportunities for quality improvement.

2.3. Training

The Executive Team and the Board of Directors monitor management capability, (leadership, knowledgeable and skilled staff, adequate financial and physical resources), to ensure the processes and internal controls work effectively.

To ensure the successful implementation of the Risk Management Policy, all staff are provided with appropriate training opportunities in carrying out risk assessments and the reporting of incidents. The on-going programme of training within the Trust includes: Health and Safety, risk register training, fire safety training, manual handling, safeguarding training, major incident training and conflict resolution training.

Medicine management training is delivered at doctors' induction programmes and during educational and developmental sessions. Support and advice on medicine management, is also provided at ward and departmental level by the Chief Pharmacist and link pharmacists.

Risks and safety in respect of clinical equipment and devices are discussed and disseminated by the Medical Devices and Equipment Management Committee. All divisions are represented on this committee which also has a training sub group and each ward has a link nurse.

General awareness raising on risk management issues is achieved through staff briefings, team brief, safety bulletins, induction and the intranet.

2.4. Staff Responsibility

The Trust supports staff to identify and plan for potential risks to the delivery of the Trust's objectives. Members of staff have responsibility for handling the management of clinical and non-clinical risks according to their roles and duties within the Trust. All risks are owned by an appropriate manager and reviewed regularly to ensure mitigation plans are effective in reducing the level of risk exposure.

Mandatory training on key risk areas is undertaken by all staff at induction into the Trust and on a regular refresh basis. Risk management training is part of the Trust's Induction programme and mandatory training for all staff throughout the Trust which includes health and safety, fire, security, incident reporting, claims and complaints.

We work hard to foster an open and accountable reporting culture, and staff are encouraged to identify and report incidents. Sharing learning through risk related issues, incidents, complaints, and claims is an essential component of maintaining the risk management culture within the Trust. Learning is shared through Divisions and Trust wide forums such as the Clinical Quality and Governance Group. Learning is acquired from a variety of sources which include:

- Analysis of incidents, complaints, claims and acting on the findings of investigations.
- External inspections.
- Internal and external audit reports.
- Clinical audits.
- Outcome of investigations and inspections relating to other organisations.

2.5. Board Responsibility

In accordance with its *Standing Orders* and as required by the Health and Social Care Act 2006 (amended 2012), the Trust has an Audit Committee. The Audit Committee is tasked with reviewing the establishment, adequacy, and effective operation of the organisation's overall system of governance and internal control which encompasses risk management (both clinical and non-clinical) that supports the achievement of the organisation's objectives.
In order to assist both the Board and the Audit Committee, specific risk management is overseen and scrutinised by three Committees:

- *Quality Assurance Committee* has the specific purpose of delivering assurance to the Board on the management of clinical risk and operational performance against the CQC domains.
- *Finance and Investment Committee* provides assurance on management of risks relating to both financial and human resources, performance and accountability.
- *People Committee* provides assurance against safe staffing, workforce, and organisational development issues.

3. RISK MONITORING ESCALATION AND ASSURANCE PROCESS

3.1. The Risk Management Process

Risk management is fundamental to our ability to effectively deliver safe, high quality services, with systems and processes in place throughout the organisation to identify, assess and mitigate risk, as well as provide the necessary training and development opportunities for staff with specific responsibilities for co-ordinating and advising on risk management.

Risk management is integrated into our philosophy, practices and business plans. Risk management is the business of everyone in the organisation. Risk management by the Board is underpinned by three interlocking systems of internal control:

a) The Board Assurance Framework
b) The Risk Management Process
c) Trust Risk Register

a) **Board assurance framework (BAF)**

The Board has established a robust Board Assurance Framework (BAF) so that I, as Chief Executive, can confidently sign the Annual Governance Statement, which deals with statements of internal control and assurances. A BAF was in place during the reporting period and is part of the wider '*Assurance and Escalation Framework'* to ensure the Trust's performance across the range of its activities is monitored and managed; resulting in targets being met, objectives achieved, and good outcomes for service users.

The BAF provides a mechanism for the Board to be assured that the systems, policies, and procedures in place are operating in a way that is effective and focussed on the key strategic risks which might prevent the Trust's strategic objectives being achieved. It identifies our principal objectives and their associated principal risks. The control systems, which are used to manage these risks, are identified together with the evidence for assurance that these are effective. Lead Directors are identified to deal with gaps in control and assurance and are responsible for developing action plans to address the gaps.

The BAF includes a description of risk appetite for each risk to the achievement of operational objectives and additional background information including links to associated risks on the risk register and tracking the score of the risk over time.

The Board ensures effective communication and consultation at all levels within the organisation and with external stakeholders. We engage with our main commissioner (Bolton CCG) in contract review meetings and through Joint Leadership meetings. A representative of Bolton CCG Group also has a seat on our Quality Assurance Committee. We engage with other key stakeholders at various forums including but not limited to, Council of Governor Meetings, Overview and Scrutiny Committee and Healthwatch. These meetings provide an opportunity for risk related issues to be raised and discussed.

b) Risk Management Process

Our *Risk Management Policy* clearly outlines the leadership, responsibility, and accountability arrangements. The responsibilities are then taken forward through the Board Assurance Framework, the Risk Registers, Business Planning and Performance Management processes enabling the coherent and effective delivery of risk management throughout the organisation.

Our Risk Register procedure requires divisions to maintain and monitor their own Risk Registers. All risks with a score rating of 12 or above are reviewed by the Risk Management Committee.

c) Trust Risk Register

Our risk assessment process, investigating incidents, complaints and claims procedures are the principal sources of risk identification. The risk assessment process identifies the criteria for risk scoring both likelihood and consequence on a scale of 1 to 5, with the highest risk being accorded a score of 25 (5x5). The risk assessment process also requires an appropriate risk management plan.

The risk assessment process clearly states the escalation process for monitoring, management and mitigation of risk according to overall likelihood and consequence. The risk assessment process is applied to all types of risk, clinical, financial, operational, capital, and strategic.

All business cases have to be supported with a risk assessment. The scored risk rating strongly influences priorities within the Trust Capital Programme. All projects aimed at improving efficiency are accompanied by a quality impact assessment (QIA) this is overseen by the Chief Nurse and the Medical Director as a safeguard to ensure that savings are not achieved at the cost of safety or quality.

In addition, the Audit Committee monitors the risk management systems and processes and receives the Board Assurance Framework on a quarterly basis. This Annual Governance Statement is a composite report on how risks are managed and

how assurances were received in relation to the integrated governance and internal control**.**

3.2. The Risk and Control Framework

3.2.1. Principal Risks

The most significant risk we faced during the 2021/22 related to the continuation of the impact of the COVID-19 pandemic on our staff and patients.

- The emotional and physical impact on our frontline staff is a concern and although we have implemented a number of initiatives to support our staff, one of our most significant risks will be maintaining workforce capacity and capability and supporting the processes to deliver safe and effective care to our patients.

- In common with all NHS Providers our elective activity was significantly reduced during the peak of the pandemic, we are now committed to working with system partners to recover this activity but the impact of this reduced activity will remain a risk over the next year.
- Meeting the A&E standard has continued to be a challenge for the Trust, we have invested significantly in the infrastructure to support the Urgent Care System but this remains a significant risk.
- We have put in place controls and action plans to mitigate these risks and issues; these are described in the Board Assurance Framework.

3.2.2. Risk Appetite

When approving the Board Assurance Framework, the Board agree their risk appetite for each of the strategic goals of the organisation

- Risk averse to risks that affect the quality of care and the experience of every person accessing our services
- We will not knowingly take decisions to reduce safety or ignore safety issues
- We will not tolerate failure in basic standards of compliance which could compromise licence conditions
- We have an appetite for developing partnerships but will not enter into partnerships that compromise our statutory duty as an NHS Foundation Trust.

3.3. Well Led Framework

The Well Led Framework was developed as an assessment tool for Trusts to use to benchmark their arrangements for effective leadership and quality governance in four categories:

- Strategy and planning
- Capabilities and culture
- Structure and processes
- Measurement

In January 2019, the Care Quality Commission (CQC) assessed us as "**outstanding**" with regard to providing services that are well led.

Strategy and planning

Quality is embedded in our overall strategy, the safety and effectiveness of care and the experience of patients are at the heart of all that we do. During 2018/19 we developed a new five-year strategy; setting out our vision and ambition for 2019 - 2024. In 2020, we reviewed our progress against the agreed objectives, realigning our actions to fit with the post pandemic environment in which we are now working. Further detail on our strategy is provided within the annual report.

Capabilities and Culture

The Board is assured that quality governance is subject to rigorous challenge with full NED engagement in the Audit Committee and NED involvement in the assurance providing committees.

Structure and process

The Corporate Governance Structure is in place to ensure clarity of reporting between wards and departments and the Board and between the Board and its supporting committees. Integrated Performance Meetings ensure clear routes of escalation to the Executive team.
The Trust has clear processes in place for:

- Clinical incident and accident policy
- Raising concerns (Whistle blowing)
- Complaints
- Management of Serious Incidents

Action plans are put in place to address issues arising from these processes

Performance information

The Integrated Performance report provides a clear dashboard and high-level apex report for the Board of Directors and Council of Governors with full reports reviewed in the Board sub committees and at the Integrated Performance Meeting.

The Board ensures effective communication and consultation at all levels within the organisation and with external stakeholders. We engage with our main commissioner (Bolton CCG) in contract review meetings and through Joint Leadership meetings.

A representative of Bolton CCG Group also has a seat on our Quality Assurance Committee. We engage with other key stakeholders at various forums including but not limited to, Council of Governor Meetings, Overview and Scrutiny Committee and Healthwatch. These meetings provide an opportunity for risk related issues to be raised and discussed.

4. WORKFORCE STRATEGY

Our Workforce and Organisational Development Strategy identifies our Workforce Priorities. The Strategy focusses on the following four priorities for action:

- Health organisational culture
- Sustainable Workforce
- Capable workforce
- Effective leadership and managers.

The People Committee is charged with providing oversight of workforce development, workforce performance and planning as well as the governance and monitoring of progress on the implementation of our Strategy. The People Committee ratifies our workforce plans on an annual basis these are agreed by both the Chief Nurse and the Medical Director. The Board received regular performance reports against key workforce metrics (including staffing levels).

We are compliant with the recommendations set out in developing work for safeguards 2018, which details the ongoing requirement for all NHS organisations to present a six-monthly report to the Board regarding nursing and midwifery staffing. The Board received a comprehensive staffing report in May and November 2021 that included analysis of wider workforce plans to provide assurance that the standards required to deliver safe and effective care are being met. There is a formal escalation process for operational staffing challenges.

The Trust ensures that short, medium and long-term workforce strategies and staffing systems are in place, which assure the Board that staffing processes are safe, sustainable and effective are described below and also shows how the Trust complies with the 'Developing Workforce Safeguards'

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

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

5. STATUTORY AND REGULATORY COMPLIANCE

5.1. Compliance with the NHS foundation trust condition 4 (FT governance)

To assure itself of the validity of its Annual Governance Statement required under NHS FT Condition 4 (8) b, the Board of Directors receives an annual assurance statement and associated evidence. The structures and process described within this statement provide further assurance with regard to our governance arrangements.

The CQC Well Led Review provided assurance that previous potential risks to compliance with Condition 4 of the NHS provider licence have been effectively mitigated through the processes described within this statement.

The Board of Directors was provided with assurance of how the Trust meets these requirements at their meeting held on 26 May 2022 and confirmed that the statement of compliance was appropriate.

5.2. Quality, Patient Safety and Clinical Outcomes

The Trust has regard to the Quality Governance Framework through a combination of structures and processes at and below Board level to lead on Trust-wide quality performance including:

- ensuring required standards are achieved
- investigating and taking action on sub-standard performance
- planning and driving continuous improvement
- identifying, sharing, and ensuring delivery of best practice and
- identifying and managing risks to quality of care

Quality continued to be a key focus for the Trust and during the period we have given particular focus to the following:

- The Quality Improvement Action Plan with monthly reports to the Quality and Safety Committee and the Board
- Monthly Safe Staffing Report to Board and Quality and Safety Committee
- Commissioned External

5.3. Care Quality Commission Regulatory Requirements

The Foundation Trust registered with the Care Quality Commission (CQC) and is fully compliant with its registration requirements. Assurance is obtained on compliance with CQC registration requirements and the fundamental standards to provide care that is safe, effective, caring, responsive and well led through the following mechanisms:

- The CQC conducted a full inspection in December 2018 and gave the Trust an overall rating of Good with an Outstanding rating for Well Led and rated us Outstanding for caring within medical and older peoples' services.

- Divisional reports to the Quality Assurance Committee have been framed around the domains and standards set by the CQC.
- We have an established internal accreditation scheme for wards and departments. The Bolton System of Care Accreditation (BOSCA) review is now well embedded and provides an evidence based framework for quality improvement.

5.4. NHSE/I Guidance on Register of Interests

The Trust has published 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. Our policy, Managing Conflict of Interests, has clearly set out these obligations which are monitored by the Audit Committee on behalf of the Board.

5.5. Pension Scheme

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

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

6. SOCIAL RESPONSIBILITY

6.1. Information about Social, Community and Human Rights Issues including Equality, Diversity and Inclusion

As a public sector organisation, the Trust is statutorily required to ensure that Equality, Diversity and Human Rights are embedded into its functions and activities in line with the Equality Act 2010 and Human Rights Act 1998.

The Trust has due regard to achieving the General Duties set out in the Equality Act 2010 to:

- Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people who share protected characteristics and those who do not.
- Foster good relations between people who share protected characteristics and those who do not.

To achieve the Specific Duties the Trust publishes on its public website a range of equality diversity and inclusion information:

- Annual Equality Diversity and Inclusion Report
- The Workforce Race Equality Standard Report (WRES)
- Workforce Disability Equality Standard Report (WDES)
- Equality Objectives
- Equality Delivery System 2 Report (EDS2)
- Gender Pay Gap Report

Control measures are in place to ensure that the organisation complies with all relevant equality, diversity and human rights legislation. These include:

- Trust Board Sign Off
- People Committee
- Updates to the Clinical Commission Groups (CCGs)
- Updates to NHS England and NHS Improvement

6.2. Overview of activity to eliminate unlawful discrimination.

The Trust is committed to the promotion of Equality, Diversity, and Inclusion for both patient and staff experience and has processes in place to ensure that any unlawful discrimination is prevented or eliminated. All staff are required to complete the mandatory Equality Training module and communications have been provided with regards to unconscious bias for all existing staff and new recruits.

The Trust does not tolerate any action of unlawful discrimination and such acts or behaviour would be subject to disciplinary proceedings and referral to Anti-Fraud to progress criminal proceedings.

6.3. The Modern Slavery and Human Trafficking Act 2015

Bolton Hospital NHS Foundation Trust is committed to maintaining and improving systems, processes, and policies to avoid complicity in human rights violation. We realise that slavery and human trafficking can occur in many forms, such as forced labour, domestic servitude, sex trafficking and workplace abuse. Our policies and governance and legal arrangements are robust, ensuring that proper checks and due diligence take place in our employment procedures to ensure compliance with this legislation.

Our policies, governance and legal arrangements are robust, ensuring that proper checks including pre-employment, fit and proper persons' in relation to Schedule 5 of the Fit and Proper Persons' Regulation 2014 and due diligence take place in our employment procedures to ensure compliance with this legislation set out in the Modern Slavery and Human Trafficking Act 2015.

6.4. Data Quality and Governance

Governance and Leadership

We have continued our work on the priorities agreed in the 2019/20 Quality Account. We identified key areas for improvement of patient safety, clinical effectiveness and experience and provided quarterly updates to the Quality Assurance Committee on our progress against each of these priorities.

Our Quality Assurance Committee acts on behalf of the Board to provide scrutiny and seek assurance to ensure that despite the operational challenges the Board has a clear line of sight on the quality and effectiveness of the care we provide.

Policies and plans

The Board approved an overarching quality strategy with supporting strategies for the reduction of harm from falls and pressure ulcers. The launch of these policies provided an opportunity to re-engage with staff across the organisation on the importance of zero tolerance of harm. Results reported to our Quality Assurance Committee provide evidence that these strategies have been effective with significant reductions in patient harm reported.

Data use and reporting

We have used existing performance management arrangements to monitor progress throughout the year on the objectives selected and have provided a quarterly update to the QA Committee on each priority. Data accuracy remains a key priority for the Trust.

Elective Waiting time data

Within our Business Intelligence department, we have a team of dedicated validators who are responsible for the quality and integrity of our Elective waiting lists. The team work closely with specialties to review and improve data accuracy, carrying out a well-defined timetable of regular and routine validation tasks each week, in addition to audit and detailed adhoc checks.

They are also responsible for delivering Referral to Treatment (RTT) training, and working with the IT trainers to ensure that the standard Patient Administrative System training includes data quality initiatives and context. Waiting list analysis is readily available via a Business Intelligence portal, with detailed drilldowns available to specialties for review at the regular Patient Tracking List (PTL) meetings.

All of the patients on the elective admitted waiting list have all been risk stratified against the list of guidance received from the Royal College of Surgeons

6.5 Information Governance

Information Governance is the standard and process for ensuring that organisations comply with statutory and regulatory requirements regarding handling, accessing and dealing with personal information. The Trust has clear policies and processes in place

to ensure that information, including all patient information, is handled in a confidential and secure manner.

There were four incidents requiring investigation during the period from April 2021 to March 2022, these incidents were reported firstly to NHS Digital via the Data Security and Protection Toolkit. Of the four incidents all four required reporting to the Information Commissioners Office (ICO).

We recognise the importance of data security and the threat to digital services through cyber-attacks. We have measures in place to reduce the risks from cyber-attacks including ransomware and computer viruses and are committed to ensuring the organisation complies with the UK Data Protection Act 2018 and NHS Data Security Standards.

With the increase in hybrid working, the Trust has continued to issue encrypted laptops alongside desktop computers. There is centralised storage across the Trust, which ensures that all critical and sensitive data is held securely and not stored on local equipment. In addition, all portable devices such as memory sticks that may be required for PCs and laptops have enforced encryption.

We recognise the information governance risks relating to the use of tablet devices and “cloud sharing” and have purchased software to support and protect information processed on these devices.

Email encryption software, which allows the encryption of emails containing sensitive information, is now widely used across the Trust. This is supported by an Email & Internet Access Policy, which reflects the capabilities that new security applications now give the Trust. As part of the annual Information Governance Training, staff are reminded that email must not be used to send personally identifiable data, unless it is encrypted or NHSmail is used and messages remain within the NHS.

The Trust has effective arrangements in place for Information Governance and monitoring of performance against the Data Protection and Security Toolkit with reporting through the Information Governance Group to the Digital Performance and Transformation Board.

The Information Governance Group (IGG), chaired by the Executive Director of Strategy and Transformation in her capacity of Senior Information Risk Owner (SIRO), is well-established and supports, leads and advances the Trusts Information Governance agenda.

Information security-related incidents are reported via the Trust’s incident reporting system. Incidents are reviewed by the Information Governance Group which is chaired by the Senior Information Risk Owner. Where an ongoing information risk is identified, this is recorded on the relevant risk register, along with a note of actions to be taken to minimise the chances of re-occurrence and impact.

The Data Protection and Security Toolkit is the mandated method for monitoring the Trust’s performance in the key areas of data protection and technical/cyber security. This is based on the NHS Data Security Standards and is focussed on ensuring the

Trust remains compliant with laws concerning personal information handling and sharing, along with remaining resilient to current and future cyber threats.

Our trust has made considerable progress across the 10 standards in scope to meet the toolkit requirements for 2021-22 period. *We will be submitting the toolkit in May 2022 ahead* of the NHS Digital submission deadline of 30 June 2022.

There have been major progress this year around cyber-security and data privacy in order to meet our statutory obligations under the UK General Data Protection Legislation (UK GDPR and Data Protection Act 2018) and the Network and Information Systems (NIS Regulation). Some of the progress are:

- Over the last 12 months, the Trust expanded the Information Security Management System (ISO 27001) accreditation from emails to the whole IT Services Desk.
- Two penetration test (ethical hacking) were carried onsite to measure the security of our systems and networks.

7. CLIMATE CHANGE AND CARBON EMISSION

7.1. 'Delivering a Net Zero Health Service' report under the Greener NHS programme.

Bolton NHS Foundation Trust recognises the importance of its stewardship role on Climate Change and environmental issues. This includes the management of environmental impacts resulting from operational activities and the essential importance of reducing these impacts. As an anchor organization employing over 6500 local staff members we strive for a **Better Bolton.**

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with. Our Green Plan provides an organisation-wide strategy that outlines the Trust's plan of action for 2022-2025 and is in line with our Vision and Objectives.

Our Green Plan aims to address the **Greener NHS** aspirations for a sustainable health and care system by reducing carbon emissions, protecting natural resources, preparing communities for extreme weather events, and promoting healthy lifestyles and environments

The profile of sustainability and the 'green**'** agenda increased significantly during the last 12 months. The Trust has undertaken some significant advances in gaining a greater understanding of how it can measure and strategically manage its impact on the environment. Calculating an accurate carbon baseline for a healthcare system is challenging, and the Trust commissioned a review to measure the key environmental

impacts associated with energy use, travel, water, use of natural resources, waste, and carbon emissions.

The review has established our 'baseline data' and our Green Plan outlines how we will continue to monitor and reduce our emissions.

The Trust has undertaken risk assessments and is developing a sustainable development management plan to take account of UK Climate Projections 2018 (UKCP18) and ensure that obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

As a large and busy acute hospital with ageing buildings and infrastructure, Bolton NHS Foundation Trust consumes a significant quantity of resources and consequently has a large carbon footprint; contributing to climate change and its associated impacts on a local and global scale.

Bolton NHS Foundation Trust aspires to make substantial improvements to the sustainability of its operations. We recognise the impact we have on the environment and our responsibility to integrate sustainability within our core business.

The Trust strives to deliver brilliant care outcomes through brilliant people and be a leading partner within an integrated system of health and social care, providing a patient experience without boundaries.

Delivering sustainable healthcare will improve services to the community and reduce the Trusts environmental impact. It will require collective action from staff, patients, and visitors.

Incorporating sustainability into the Trust's approach will help us make more informed, sustainable decisions to benefit the future as well as the present.

In **2020/21,** the Trust operational activities emitted 11,647 tonnes of CO2e, equivalent to the carbon impact of over 2,329 homes' energy use for one year. The 11,647 is a reduction of 868 tonnes since the baseline year of 2019/20.

The carbon footprint was calculated using 12 months' data April 2020- March 2021. The total 12-month consumption for each strand acts as an annual baseline. Using the DEFRA 2020 conversion factors, carbon emissions were calculated for each strand in kg CO_2e and Tonnes CO_2e. The Annual emissions in Tonnes CO_2e from each strand are added together to produce a final carbon footprint.

8. REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS OF THE USE OF RESOURCES

The following sets out the initiatives, systems and achievements demonstrating how effectively we have used our resources to deliver safe care for our patients. We regularly review the economic, efficient, and effective use of resources with robust arrangements in place for setting objectives and targets on a strategic and annual basis. These arrangements include:

- Ensuring the financial strategy is affordable
- Scrutiny of cost savings plans
- Co-ordination of individual and departmental objectives with corporate objectives.
- Model Hospital metrics provide assurance that we benchmark well for effective and efficient use of resources; this was reflected in a rating of Good following the NHSI Use of Resources review in November 2018.
- Performance against objectives is monitored and actions identified through a number of channels:
    - Approval of the annual budgets by the Board of Directors
    - At Executive Director meetings
    - Bi-monthly reporting to the Council of Governors
    - Monthly reporting to the Board of Directors and the Executive Team on key performance indicators
    - Integrated Performance Monitoring meetings to hold divisions to account for performance against quality, operational and financial objectives.
    - Monthly review of financial targets by the Finance and Investment Committee
- Procurement of goods and services is undertaken through professional procurement staff and through working with neighbouring organisations within a procurement hub.
- In year cost pressures are rigorously reviewed and challenged, and alternatives for avoiding cost pressures are always considered

9. KEY FINANCIAL GOVERNANCE POLICIES AND PROCESSES

The effective and efficient use of resources is managed by the following key policies:

9.1. Standing Orders

The *Standing Orders* are contained within the Trust's legal and regulatory framework and set out the regulatory processes and proceedings for the Board of Directors and its committees and working groups including the Audit Committee, whose role is set out below, thus ensuring the efficient use of resources.

9.2. Standing Financial Instructions (SFIs)

The SFIs detail the financial responsibilities, policies and principles adopted by the Trust in relation to financial governance. They are designed to ensure that its financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness.

They do this by laying out very clearly who have responsibility for all the key aspects of policy and decision making in relation to the key financial matters. This ensures that there are clear divisions of duties, very transparent policies in relation to competitive procurement processes, effective and equitable recruitment and payroll systems and processes. The budget planning and allocation process is clear and robust and ensures costs are maintained within budget or highlighted for action.

The SFIs are to be used in conjunction with the Trust's *Standing Orders* and the Scheme of Reservation and Delegation and the individual detailed procedures set by directorates.

9.3. Scheme of Reservation and Delegation

This sets out those matters that are reserved to the Board and the areas of delegated responsibility to committees and individuals. The document sets out who is responsible and the nature and purpose of that responsibility. It assists in the achievement of the efficient and effective resources by ensuring that decisions are taken at an appropriate level within the organisation by those with the experience and oversight relevant to the decision being made. It ensures that the focus and rigor of the decision-making processes are aligned with the strategic priorities of the Trust and it ensures that the Trust puts in place best practice in relation to its decision making.

9.4. Counter Fraud, Bribery and Corruption Policy & Response Plan.

The Bribery Act, which came into force on 1 July 2011, makes it a criminal offence for commercial organisations to fail to prevent bribes being paid on their behalf. Failure to take appropriate measures to avoid (or at least minimise) the risk of bribery taking place could lead to the imposition of fines, or imprisonment of the individuals involved and those who failed to act to prevent it. This will help ensure that the taking or receiving of bribes is less likely and improve the integrity and transparency of the Trust's transactions and decisions.

The Board places reliance on the Audit Committee to ensure that as far as practicable, appropriate and sound governance arrangements are in place to deliver the efficient and effective use of resources and the Trust's internal control systems are robust and can be evidenced.

The Audit Committee agrees an annual work programme for the Internal Auditors and the Counter Fraud Service, and reviews progress on implementation of recommendations following audit and other assurance reports and reviews. Independent assurance is provided through the internal audit programme and the work undertaken by NHS Counter Fraud Authority, Counter Fraud Service, progress reports, counter fraud workplan and annual report are reviewed by the Audit Committee which the requirements and the expectations are detailed in the Government's Functional Standards (GovS 013), relating to Fraud, Bribery and Corruption reports from which are reviewed by the Audit Committee.

10. MAINTAINING AND REVIEWING THE SYSTEM OF INTERNAL CONTROL

10.1. The Board

The Chief Executive and Board of Directors have overall responsibility for the system of internal control.

10.2. Audit Committee

This Committee acts independently from the Executive, to provide assurance to the Board, based on a challenge of evidence and assurance obtained, that the interests of the Trust are properly protected in relation to financial reporting and internal control. It keeps under review the effectiveness of the system of internal control; that is the systems established to identify, assess, manage, and monitor risks both financial and otherwise, and to ensure the Trust complies with all aspects of the law, relevant regulation and good practice.

This Committee reports to the Board any matters in respect of which the Committee considers that action or improvement is needed and makes recommendations as to the steps to be taken.

10.3. Quality Assurance Committee

This Committee provides the Board with an independent and objective review in relation to:

- All aspects of quality, specifically: clinical effectiveness, patient experience and patient safety; monitoring compliance against the essential standards of quality and safety set out in the registration requirements of the Care Quality Commission
- Governance processes for driving and monitoring the delivery of high quality, clinically safe, patient-centred care.

- Performance against internal and external quality and clinical improvement targets, and directing management on actions to be taken on sub-standard performance.
- The overarching Quality Strategy.
- Assurance on safeguarding quality and to provide appropriate scrutiny to clinical effectiveness, patient safety and patient experience.
- Assurance (positive and negative) derived from clinical audits is reported through the Clinical Governance committee to the Quality Assurance Committee.
- Sign off all Serious Incident reports on behalf of the Board of Directors.

10.4. Finance and Investment Committee

This Committee provides the Board with an objective review of, and assurances, in relation to:

- Finance, contracting and commissioning issues; presenting reports and recommendations in relation to ensuring we maintain cash liquidity and are an effective going concern.
- Financial governance processes.
- Business cases referred to it by the Capital & Revenue Investment Group requiring major capital investment.
- Reviewing and challenging budgets.
- Compliance with legislative, mandatory and regulatory requirements in terms of the Committee's scope.
- The Executive Team has responsibility for the development and maintenance of the system of internal control and the outputs from its work provide me with assurance.
- The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

10.5. People Committee

The People Committee provides the Board with line of sight on workforce related issues.

Key duties of the Committee include:

- Developing and overseeing implementation of the Trust's People Strategy and providing assurance to the Board of Directors that this is being delivered in line with the annual planning process.
- Approving, monitoring and reviewing policies, procedures and guidance documents relating to the management of the Trust's workforce.
- Monitoring and reviewing workforce key performance indicators to ensure achievement of our strategic aims and escalate any issues to the Board of

Directors.

- Oversight of staff engagement levels as evidenced by the results of the national and any other staff surveys.
- Seeking assurance to ensure that we fulfil all legislative and regulatory requirements pertaining to workforce and organisational development issues, including but not limited to equality diversity and inclusion.

10.6. Transformation and Digital Transformation Board

The Trust Transformation and Digital Transformation Board is a newly constituted Committee to give direct Board oversight into the development and delivery of the Trusts Transformation Plan including quarterly reporting, of progress against major transformation programmes. The Board, which was previously chaired by a non-executive director was repurposed in March as an Operational Committee which now reports to the Finance and Investment Committee.

10.7. Strategic Estates Board

The Strategic Estates Board was established to oversee the management and delivery of the Estates Strategy.

Duties of the Strategic Estates Board include:

- Receive assurance on the delivery of the Estates Masterplan within the defined parameters of time, cost, quality and specification.
- Ensure the cost implications of the programme are fully set out within robust financial plans and that it remains within the Trust's overall affordability.
- Ensure there is an effective risk management system in place and that regular reports on the risks and issues are effectively acted upon.
- Ensure there are mechanisms in place to minimise the impact of developments on the day-to-day operation of the Trust, its staff, patients and visitors.
- Ensure that all development proposals meet the highest possible standards of design in respect of clinical use, patient and staff environment and architectural quality.

10.8. Risk Management Committee

This Committee provides the Board through the Quality Assurance Committee with an objective review of, in relation to:

- Risk governance, the risk management frameworks and the promotion of behaviours and cultures that drive approaches to risk management.
- The systems of internal control in relation to governance and risk management, in that these are fit for purpose, adequately resourced and underpin the Trusts performance and reputation.
- The overall risk governance process in that it gives clear, explicit and dedicated focus to current and forward-looking aspects of risk exposure.

10.9. Trust Management Committee

The Trust Management Committee (TMC) is the senior leadership meeting of the Trust and as such is the forum for major operational decision making for the delivery of our plans, strategies and objectives. The TMC brings together our senior leaders and acts as the key forum for discussing contemporaneous intelligence concerning the health and care system and other strategic matters.

10.10. Health and Safety Committee

The Trust and iFM Bolton (iFM) currently share responsibility for and work collaboratively to ensure that that staff, visitors, patients and contractors are kept safe whilst on Trust premises. The Trust and iFM share a monthly Group Health & Safety Committee which has dual reporting responsibilities to the Trust (Risk Management Committee) and iFM (Risk Management Committee).

The Trust and iFM are committed to driving H&S quality improvement through the Group Health & Safety Committee by reviewing H&S audit intelligence and ensuring that notable H&S risks are resolved or duly escalated to the Risk Management Committee. The Trust and iFM are fully committed to continuously understanding the fine detail of collaborative relationship in respect of H&S and increasing the appreciation of the H&S challenges the organisation faces mindful of relevant legislation and regulation.'

10.11. Significant Internal Control Issues

There were no significant internal control issues identified during 2021/22.

10.12. Head of Internal Audit Opinion

The Head of Internal Audit meets regularly with the Director of Finance and the Chair of the Audit Committee to review progress against the plan and to ensure the plan remains tailored to our needs. Internal Audit reviews the system of internal control during the financial year and report accordingly to the Audit Committee.

The Head of Internal Audit opinion of Bolton NHS FT, based on their work during 2021-22, is that overall the Trust and its subsidiary iFM, have "Generally satisfactory systems and controls with some improvement requirements required" which gives me confidence that we have a good foundation on which to build our improvement work.

Specifically, the Head of Internal Audit has stated: Governance, risk management and control in relation to business critical areas is generally satisfactory. However, there are some areas of weakness and non-compliance in the framework of governance, risk management and control which potentially put the achievement of objectives at risk.

11. 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 Bolton NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the information provided in this annual report and other performance information available to me. My review is informed by comments made by the external auditors in their management letter and other reports.

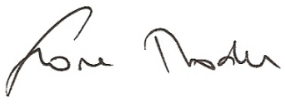
I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, a plan to address weaknesses and ensure continuous improvement of the system is in place.

12. CONCLUSION

Despite the operational challenge of the COVID-19 pandemic we have continued to implement our system of internal control. We have adapted and adopted new, more agile ways of working with a command and control system stepped up and down to meet operational needs.

Throughout the last year our Board and key assurance committees have continued to meet to provide oversight and assurance, escalating and delegating items as required within their scope and terms of reference

The Board and the Audit Committee are assured that Bolton NHS Foundation Trust has sound systems of internal control with no significant control issues having been identified.…

Signed 

Chief Executive Date: 30 June 2022

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Bolton NHS Foundation Trust ("the Trust") for the year ended 31 March 2022 which comprise the Group Statement of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statement of Changes in Taxpayers Equity and Group and Trust Statements of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Trust's affairs as at 31 March 2022 and of the Group's and Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and the Department of Health and Social Care Group Accounting Manual 2021/22.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of, the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Group and Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group's and Trust's business model and analysed how those risks might affect the Group's and Trust's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the Directors' assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reviewing the Group's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the temporary NHS funding arrangements that have been in place throughout the financial year and, due to their non-variable nature, we don't believe there to be an incentive to manipulate other operating income streams that are material.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries made to unrelated accounts linked to the recognition of expenditure and other unusual journal characteristics.
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Evaluating accruals posted as at 31 March 2022 and verifying accruals are appropriate and accurately recorded.

Identifying and responding to risks of material misstatement related to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Group is subject to laws and regulations that directly affect the financial statements, including the National Health Service Act 2006 and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information.
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.
- in our opinion that report has been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2021/22.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 85, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Group and Trust without the transfer of their services to another public sector entity.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty 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 review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and the use of information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if we refer a matter to the relevant NHS regulatory body under paragraph 6 of Schedule 10 of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the Trust incurring unlawful expenditure, or is about to take, or has taken, a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of

Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, 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.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Bolton NHS Foundation Trust for the year ended 31 March 2022 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Timothy Cutler
for and on behalf of KPMG LLP
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

4 July 2022

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Auditor's Annual Report 2021/22

Bolton NHS Foundation Trust

4 July 2022

Key contacts

Your key contacts in connection with this report are:

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Manager
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Imogen.Milner@kpmg.co.uk

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This report is addressed to Bolton NHS Foundation Trust (the Trust) and has been prepared for the sole use of the Trust. We take no responsibility to any member of staff acting in their individual capacities, or to third parties.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Summary

Introduction

This Auditor's Annual Report provides a summary of the findings and key issues arising from our 2021-22 audit of Bolton NHS Foundation Trust (the 'Trust'). This report has been prepared in line with the requirements set out in the Code of Audit Practice published by the National Audit Office and is required to be published by the Trust alongside the annual report and accounts.

Our responsibilities

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In line with this we provide conclusions on the following matters:

- **Accounts -** We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Trust and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the Group Accounting Manual prepared by the Department of Health and Social Care (DHSC).
- **Annual report -** We assess whether the annual report is consistent with our knowledge of the Trust. We perform testing of certain figures labelled in the remuneration report.
- **Value for money -** We assess the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the Trust's use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work.
- **Other reporting -** We may issue other reports where we determine that this is necessary in the public interest under the Local Audit and Accountability Act.

Findings

We have set out below a summary of the conclusions that we provided in respect of our responsibilities:

Accounts	We issued an unqualified opinion on the Trust's accounts on 4 July 2022. This means that we believe the accounts give a true and fair view of the financial performance and position of the Trust. We have provided further details of the key risks we identified and our response on page 4.
Annual report	We did not identify any significant inconsistencies between the content of the annual report and our knowledge of the Trust. We confirmed that the Governance Statement had been prepared in line with the DHSC requirements.
Value for money	We are required to report if we identify any matters that indicate the Trust does not have sufficient arrangements to achieve value for money. We have nothing to report in this regard.
Other reporting	We did not consider it necessary to issue any other reports in the public interest.

Accounts audit

The table below summarises the key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these through our audit.

Risk	Findings
Valuation of Land and Buildings There is significant judgements involved in determining the appropriate valuation basis for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation. There is therefore a risk that the value of land and buildings is materially misstated in the financial statements.	We did not identify any material misstatements relating to this risk. We considered the estimate to be balanced based on the procedures performed.
Management override of controls We are required by auditing standards to recognise the risk that management may use their authority to override the usual control environment.	We did not identify any material misstatements relating to this risk.
Fraudulent expenditure recognition Auditing standards suggest for public sector entities a rebuttable assumption that there is a risk expenditure is recognised inappropriately. We recognised this risk over the Trust's accruals balance.	We identified three misstatements in our testing of accruals totalling £448k. This is above our reporting threshold but below our materiality level. Management have chosen not to adjust for these misstatements.

Value for money

Introduction

We consider whether there are sufficient arrangements in place for the Trust for each of the elements that make up value for money. Value for money relates to ensuring that resources are used efficiently in order to maximise the outcomes that can be achieved.

We undertake risk assessment procedures in order to assess whether there are any risks that value for money is not being achieved. This is prepared by considering the findings from other regulators and auditors, records from the organisation and performing procedures to assess the design of key systems at the organisation that give assurance over value for money.

Where a significant risk is identified we perform further procedures in order to consider whether there are significant weaknesses in the processes in place to achieve value for money.

Further details of our value for money responsibilities can be found in the Audit Code of Practice at Code of Audit Practice (nao.org.uk)

Matters that informed our risk assessment

The table below provides a summary of the external sources of evidence that were utilised in forming our risk assessment as to whether there were significant risks that value for money was not being achieved:

Care Quality Commission rating	Good (April 2019).
Single Oversight Framework rating	Segment 2
Governance statement	There were no significant control deficiencies identified in the governance statement.
Head of Internal Audit opinion	Generally satisfactory with some improvements required.

Commentary on arrangements

We have set out on the following pages commentary on how the arrangements in place at the Trust compared to the expected systems that would be in place in the sector.

Summary of findings

We have set out in the table below the outcomes from our procedures against each of the domains of value for money:

Domain	Risk assessment	Summary of arrangements
Financial sustainability	No significant risks identified	No significant weaknesses identified
Governance	No significant risks identified	No significant weaknesses identified
Improving economy, efficiency and effectiveness	No significant risks identified	No significant weaknesses identified

Value for money

Financial sustainability	
Description	**Commentary on arrangements**
This relates to ensuring that the Trust has sufficient arrangements in place to be able to continue to provide its services within the resources available to it. We considered the following areas as part of assessing whether sufficient arrangements were in place: ▪ How the Trust sets its financial plans to ensure services can continue to be delivered; ▪ How financial performance is monitored and actions identified where it is behind plan; and ▪ How financial risks are identified and actions to manage risks implemented.	As in 2020/21, the 2021/22 financial year has been split into two halves with a different funding regime in each. The regimes are largely a continuation of those introduced in response to Covid-19, and set out in two lots of operational planning and implementation guidance, issued in March and September 2021. The funding arrangements are broadly consistent in both H1 and H2. System funding envelopes containing adjusted CCG allocations, system top-up and COVID-19 fixed allocations remain in place, as well as block payment arrangements for relationships between NHS commissioners and NHS providers. Due to the Covid pandemic, the financial guidance for 2021/22 was delayed with guidance for the 2021/22 financial year being received in March 2021. Therefore at the beginning of the 2021/22 financial year, this guidance was being worked through by Finance Officers in order to develop the 2021/22 financial plan. The Trust presented its financial plan for 2021/22 to the Finance & Investment Committee in April and an updated version in May 2021, showing a planned breakeven position for H1. This H1 position included a planned CIP target of 1.5% (£2.9m). The month 11 finance report for 2021/22 shows a year to date actual deficit of £0.1m and that savings of £3.7m plus additional non-recurrent savings of £5.7m have been delivered in the year to date, leaving a shortfall of £0.1m against the year to date target. The trust has an annual process in place to identify, plan and scope potential CIP schemes in readiness for a new financial year and schemes are monitored on a weekly and monthly basis at a trust and divisional level. We found that the budget monitoring and control processes were able to identify and incorporate significant pressures into the financial plan to ensure it was achievable and realistic. The initial draft budgets were constructed based on appropriate local and national planning assumptions and had appropriate review and sign off by the relevant budget holders. Cost pressures at the planning process are identified through a variety of sources, and were identified throughout the year via regular review of month end positions. Intelligence around cost pressures are captured by Finance Business Partners through their regular interactions with budget holders and others across the Trust. We reviewed the process by which monthly budget statements are produced, discussed and challenged and found this process to be designed effectively. (Continued)

Value for money

Financial sustainability	
Description	**Commentary on arrangements (continued)**
This relates to ensuring that the Trust has sufficient arrangements in place to be able to continue to provide its services within the resources available to it. We considered the following areas as part of assessing whether sufficient arrangements were in place: ▪ How the Trust sets its financial plans to ensure services can continue to be delivered; ▪ How financial performance is monitored and actions identified where it is behind plan; and ▪ How financial risks are identified and actions to manage risks implemented.	The Trust drafted the financial plan for 2022/23 that went to Finance Committee in March 2022 forecasting a gap to breakeven of £23.8m. Discussions continue with the Greater Manchester Integrated Care System (GM ICS) concerning this deficit plan. This was based achieving a planned CIP of 5% which totals £20.6m. The 5% target is line with what has been directed by GM ICS. Whilst the Trust recognise that this level of cost improvement has not been achieved before, they also recognise that it is also the case that Trusts will need to catch up on lost CIP opportunities over the last two years. The June 2022 financial plan update shows that £4m CIP has been identified to date in 2022/23, however £9m total CIP delivery is required in order to achieve the likely case forecast scenario of a £7.2m deficit. The difference in planned CIP between the March 2022 and June 2022 positions is due to changes in planning assumptions, which includes £6.8m of confirmed additional income. We reviewed the systems and processes for identifying, escalating and monitoring risks (including financial risks) and determined that these arrangements have been designed effectively during 2021/22. Financial risks continued to be escalated through the Trust's risk management systems and processes, and this was not interrupted by the national financial regime in place throughout the year. **Conclusion** Based on the findings above we have not identified any significant weaknesses in the Trust's arrangements associated with financial sustainability.

Value for money

Governance	
Description	**Commentary on arrangements**
This relates to the arrangements in place for overseeing the Trust's performance, identifying risks to achievement of its objectives and taking key decisions. We considered the following areas as part of assessing whether sufficient arrangements were in place: ▪ Processes for the identification and management of strategic risks; ▪ Decision making framework for assessing strategic decisions; ▪ Processes for ensuring compliance with laws and regulations; ▪ How controls in key areas are monitored to ensure they are working effectively.	We consider the Trust to have effective processes in place to monitor and assess risk. Strategic risks are recorded and identified using the Board Assurance Framework, and any identified risks are reported to the appropriate governing body. Our review of the risk register found this was sufficiently detailed to effectively manage key risks. The Trust has a detailed Risk Management Framework in place last updated in 2019. The Trust has adequate controls in place to prevent and detect fraud. The Trust presented its financial plan for 2021/22 to the Finance & Investment Committee in April and an updated version in May 2021. This was discussed at the F&I Committee and Trust Board in April-May 2021. Financial risks continued to be escalated through the Trust's risk management systems and processes, and this was not interrupted by the national financial regime in place throughout the year. We found there to be appropriate scrutiny and challenge of the budgets and appropriate approval through the budget holders and the F&I Committee. Reviews of compliance with laws & regulations, staff code of conduct and the Trust's constitution is completed through Board meetings, Quality Assurance Committee, Audit Committee and other governance structures. The Trust has ensured appropriate scrutiny, challenge and transparency on decision making. The Trust guarantees key decisions are appropriately challenged and scrutinised by representatives of a number of different functions such as Finance, HR and Risk through a clear business case process. Business cases are presented to the Board where required due to their size, although no significant business cases have been presented to Board for approval during 2021/22. There were two business cases over £1m that were approved by the F&I Committee in year and we reviewed these to evidence that they were detailed in order to allow appropriate scrutiny and decision making. We have reviewed overall governance arrangements in place and found appropriate processes are in place and we have not identified any significant weaknesses. **Conclusion** Based on the findings above we have not identified any significant weaknesses in the Trust's arrangements associated with governance.

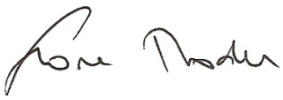
Value for money

Improving economy, efficiency and effectiveness	
Description	**Commentary on arrangements**
This relates to how the Trust seeks to improve its systems so that it can deliver more for the resources that are available to it. We considered the following areas as part of assessing whether sufficient arrangements were in place: ▪ The planning and delivery of efficiency plans to achieve savings in how services are delivered; ▪ The use of benchmarking information to identify areas where services could be delivered more effectively; ▪ Monitoring of non-financial performance to assess whether objectives are being achieved; and ▪ Management of partners and subcontractors.	The Trust has an annual process in place to identify, plan and scope cost potential CIP schemes in readiness for a new financial year and schemes are monitored on a weekly and monthly basis at a trust and divisional level. The month 11 finance report for 2021/22 shows that savings of £3.7m plus additional non-recurrent savings of £5.7m have been delivered in the year to date, leaving a shortfall of £0.1m against the year to date target. The Trust drafted the financial plan for 2022/23 with planned CIP of 5% which totals £20.6m. The 5% target is line with what has been directed by GM ICS. Whilst the Trust recognise that this level of cost improvement has not been achieved before, they also recognise it is also the case that Trusts will need to catch up on lost CIP opportunities over the last two years. The June 2022 financial plan update shows that £4m CIP has been identified to date in 2022/23, however £9m total CIP delivery is required in order to achieve the likely case forecast scenario of a £7.2m deficit. The difference in planned CIP between the March 2022 and June 2022 positions is due to changes in planning assumptions, which includes £6.8m of confirmed additional income. An integrated performance report is presented to each meeting of the Trust Board in order to report on all areas of performance, allowing the Trust to assess its quality and safety, workforce, operational performance and financial performance, and ultimately to provide assurance internally over economy, efficiency and effectiveness of operations. This allows the Board to monitor the performance of services and focus attention on areas of underperformance. The Trust engages in a number of partnerships at the GM ICS level, including participating in system discussions through the Provider Federation Board and its Executive sub-groups which take place on a monthly basis. Discussions related to the system take place at the weekly Executive Directors' meetings and actions are reported through the Trust's regular schedule of meetings and escalated to Board as required. For 2022-23, operational plans are being produced at a system level. The Board receives regularly reporting on partnerships through the CEO's update at each monthly Board meeting. Where a decision is required, the Board will receive a formal paper outlining the issue, rationale and proposed decision. The Trust continues to work to deliver its 2019-24 Corporate Strategy, which highlights as one of its key ambitions (ambition 6) the closer collaboration and working within partnerships to improve care. **Conclusion** Based on the findings above we have not identified any significant weaknesses in the Trust's arrangements associated with economy, efficiency and effectiveness.

BOLTON NHS FOUNDATION TRUST - ANNUAL ACCOUNTS 2021/22

FOREWORD TO THE ACCOUNTS

These accounts for the year ended 31 March 2022 have been prepared by Bolton NHS Foundation Trust under Schedule 7, sections 24 and 25, of the National Health Service Act 2006.



Fiona Noden

Chief Executive 30 June 2022

Consolidated Statement of Comprehensive Income

		Group	
		2021/22	2020/21
	Note	£000	£000
Operating income from patient care activities	3	410,365	356,990
Other operating income	4	29,126	53,163
Operating expenses	9, 11	(439,547)	(417,415)
Operating surplus/(deficit) from continuing operations		**(56)**	**(7,262)**
Finance income	17	17	(9)
Finance expenses	18	(966)	(995)
Public dividend capital (PDC) dividends payable		(1,752)	(1,355)
Net finance costs		**(2,701)**	**(2,359)**
Other gains / (losses)	19	-	(2)
Gains / (losses) from transfers by absorption		963	35
Corporation tax expense	20	723	(315)
Surplus / (deficit) for the year		**(1,071)**	**(9,903)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	10	(1,257)	(10,557)
Revaluations	24	1,547	5,209
Total comprehensive income / (expense) for the period		**(781)**	**(15,251)**

Statements of Financial Position

	Note	Group 31 March 2022 £000	Group 31 March 2021 £000	Trust 31 March 2022 £000	Trust 31 March 2021 £000
Non-current assets					
Intangible assets	21	10,432	7,743	10,191	7,736
Property, plant and equipment	22	123,340	108,318	122,948	108,067
Investment in subsidiary	25	-	-	17,550	16,245
Loans to subsidiary	26	-	-	24,136	25,021
Receivables	28	5,090	3,253	950	(14)
Total non-current assets		**138,862**	**119,314**	**175,775**	**157,055**
Current assets					
Inventories	27	4,217	4,410	3,793	4,016
Receivables	28	18,830	12,532	18,946	12,969
Cash and cash equivalents	29	56,820	45,508	48,824	36,673
Total current assets		**79,867**	**62,450**	**71,563**	**53,658**
Current liabilities					
Trade and other payables	30	(61,682)	(38,461)	(57,444)	(33,062)
Borrowings	32	(4,178)	(4,362)	(5,906)	(6,090)
Provisions	34	(6,049)	(4,020)	(5,949)	(3,739)
Other liabilities	31	(3,323)	(2,249)	(3,323)	(2,204)
Total current liabilities		**(75,232)**	**(49,092)**	**(72,622)**	**(45,095)**
Total assets less current liabilities		**143,497**	**132,672**	**174,716**	**165,618**
Non-current liabilities					
Borrowings	32	(35,713)	(39,430)	(66,932)	(72,376)
Provisions	34	(1,480)	(474)	(1,480)	(474)
Total non-current liabilities		**(37,193)**	**(39,904)**	**(68,412)**	**(72,850)**
Total assets employed		**106,304**	**92,768**	**106,304**	**92,768**
Financed by					
Public dividend capital	38	135,436	121,119	135,436	121,119
Revaluation reserve	39	27,779	27,489	27,779	27,489
Income and expenditure reserve		(56,911)	(55,840)	(56,911)	(55,840)
Total taxpayers' equity		**106,304**	**92,768**	**106,304**	**92,768**

The notes on pages 7 to 47 form part of these accounts.

Name **F Noden**
Position **Chief Executive**
Date **30-Jun-22**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**121,119**	**27,489**	**(55,840)**	**92,768**
Surplus/(deficit) for the year	-	-	(1,071)	**(1,071)**
Impairments	-	(1,257)	-	**(1,257)**
Revaluations	-	1,547	-	**1,547**
Public dividend capital received	14,317	-	-	**14,317**
Taxpayers' and others' equity at 31 March 2022	**135,436**	**27,779**	**(56,911)**	**106,304**

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**110,082**	**32,837**	**(45,937)**	**96,982**
Surplus/(deficit) for the year	**-**	**-**	(9,903)	**(9,903)**
Impairments	-	(10,557)	-	**(10,557)**
Revaluations	-	5,209	-	**5,209**
Public dividend capital received	11,037	-	-	**11,037**
Taxpayers' and others' equity at 31 March 2021	**121,119**	**27,489**	**(55,840)**	**92,768**

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

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**121,119**	**27,489**	**(53,765)**	**94,843**
In year adjustment*	-	-	(2,075)	**(2,075)**
Surplus/(deficit) for the year	-	-	(2,375)	**(2,375)**
Share of comprehensive income from subsidiary	-	-	1,304	**1,304**
Impairments	-	(1,257)	-	**(1,257)**
Revaluation	-	1,547	-	**1,547**
Public dividend capital received	14,317	-	-	**14,317**
Taxpayers' and others' equity at 31 March 2022	**135,436**	**27,779**	**(56,911)**	**106,304**

Statement of Changes in Equity for the year ended 31 March 2021

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**110,082**	**32,837**	**(45,937)**	**96,982**
Surplus/(deficit) for the year	-	-	(8,065)	**(8,065)**
Share of comprehensive income from subsidiary	-	-	237	**237**
Impairments	-	(10,557)	-	**(10,557)**
Revaluation	-	5,209	-	**5,209**
Public dividend capital received	11,037	-	-	**11,037**
Taxpayers' and others' equity at 31 March 2021	**121,119**	**27,489**	**(53,765)**	**94,843**

* correction of an immaterial error in the prior year Trust SoCiE

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.

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

Statements of Cash Flows

		Group		Trust	
		2021/22	2020/21	2021/22	2020/21
	Note	£000	£000	£000	£000
Cash flows from operating activities					
In year adjustment*		-	-	(2,075)	-
Operating surplus / (deficit)		(56)	(7,262)	(380)	(5,419)
Non-cash income and expense:					
Depreciation and amortisation	9	8,275	6,221	8,257	6,206
Net impairments	10	1,183	10,926	1,183	10,926
Income recognised in respect of capital donations	4.1	(112)	(431)	(112)	(431)
(Increase) / decrease in receivables and other assets		(8,239)	15,873	(7,959)	15,816
(Increase) / decrease in inventories		193	(1,340)	224	(1,338)
Increase / (decrease) in payables and other liabilities		16,166	8,206	15,231	10,157
Increase / (decrease) in provisions		3,036	1,173	3,217	1,411
Tax (paid) / received		(183)	(315)	-	-
Net cash flows from / (used in) operating activities		**20,263**	**33,051**	**17,586**	**37,328**
Cash flows from investing activities					
Interest received		17	5	895	913
Purchase of intangible assets		(579)	(662)	(575)	(548)
Purchase of PPE and investment property		(15,991)	(9,543)	(13,424)	(13,835)
Net cash flows from / (used in) investing activities		**(16,553)**	**(10,200)**	**(13,104)**	**(13,470)**
Cash flows from financing activities					
Public dividend capital received	38	14,317	11,037	14,317	11,037
Movement on loans from DHSC	32	(3,977)	(2,167)	(3,977)	(2,167)
Other capital receipts		-	-	855	826
Capital element of finance lease rental payments		(673)	-	(2,401)	(2,345)
Interest on loans		(949)	(1,018)	(955)	(1,018)
Other interest		(38)	-	-	-
Interest paid on finance lease liabilities		(9)	(5)	(1,176)	(1,229)
PDC dividend (paid) / refunded		(1,069)	(1,509)	(1,069)	(1,509)
Cash flows from (used in) other financing activities		-	(676)	-	-
Net cash flows from / (used in) financing activities		**7,602**	**5,662**	**5,594**	**3,595**
Increase / (decrease) in cash and cash equivalents		**11,312**	**28,513**	**10,076**	**27,453**
Cash and cash equivalents at 1 April - brought forward		**45,508**	**16,995**	**38,748**	**11,295**
Cash and cash equivalents at 31 March	29	**56,820**	**45,508**	**48,824**	**38,748**

* correction of an immaterial error in the prior year Trust cash flow statement

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

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.

Note 1.3 Consolidation

Subsidiaries

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

iFM's year end is the 31 March 2022. The accounting periods for iFM and the Trust are aligned for the 2021/22 accounting period.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK GAAP) then amounts are adjusted during consolidation where the differences are material. Inter entity balances, transactions and gains / losses are eliminated in full on consolidation.

Note 1.4 Revenue from contracts with customers

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

Revenue from NHS contracts

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

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2021/22

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

Comparative period (2020/21)

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations have been satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 Other forms of income

Other Income
Other income includes income from Car parking and catering and this is recognised at a point in time when the cash consideration is received.

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

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.

Note 1.6 Expenditure on employee benefits

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

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

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 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 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

Where a large asset, for example a building, includes a number of components with significantly different asset lives, 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. All assets are measured subsequently at fair value. The impact of the latest valuation is shown in note 24.

Land and buildings are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are undertaken with sufficient regularity to ensure that the carrying amounts are not materially different to those that would be determined at the end of the reporting period.

Equipment assets are carried at fair value, with depreciated historical cost used as a proxy for fair value.

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

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

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

De-recognition

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

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. 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.

In 2020/21 this includes assets donated to the trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

Useful lives of property, plant and equipment

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

	Min life Years	**Max life Years**
Land	13	204
Buildings, excluding dwellings	1	100
Dwellings	39	75
Plant & machinery	5	16
Transport equipment	10	15
Information technology	7	8
Furniture & fittings	12	12

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.10 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately

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

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value 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**
Software licences	2	6

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

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, i.e., when receipt or delivery of the goods or services is made.

Classification and measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.
Financial liabilities are classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

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

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

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

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

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

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 for 31 March 2022.

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.30% in real terms (prior year: minus 0.95%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 34.2 but is not recognised in the Trust’s accounts.

Non-clinical risk pooling

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

Note 1.16 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 35 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 35, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

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

Note 1.17 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 1.18 Corporation tax
IFM is subject to corporation tax on its profits. The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.
The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the Profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current Tax and deferred tax for the period

Current and deferred tax are recognised in the Statement of Comprehensive Income. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Note 1.19 Value added tax

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

Note 1.20 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

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

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

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

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

Note 1.21 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 1.22 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 1.23 Gifts

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

Note 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

IFRS16 Leases

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

The trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	23,330
Additional lease obligations recognised for existing operating leases	(23,330)
Changes to other statement of financial position line items	-
Net impact on net assets on 1 April 2022	**-**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(4,812)
Additional finance costs on lease liabilities	(205)
Lease rentals no longer charged to operating expenditure	4,929
Other impact on income / expenditure	-
Estimated impact on surplus / deficit in 2022/23	**(88)**
Estimated increase in capital additions for new leases commencing in 2022/23	**2,176**

Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2021-22. These Standards are still subject to HM Treasury FReM adoption.

IFRS 16 Leases - The Standard is effective 1 April 2022 as adapted and interpreted by the FReM.

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

Note 1.27 Critical judgements in applying accounting policies

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

Note 1.28 Sources of estimation uncertainty

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

Asset valuation and impairments

The valuation of the Trust's land and buildings is subject to significant estimation uncertainty, since it derives from estimates provided by the Trust's external valuers who base their estimates on local market data as well as other calculations to reflect the age and condition of the Trust's estate. In 2014/15, the basis upon which the Modern Equivalent Asset Valuation was assessed by the external valuer was changed from the existing site to an alternate, theoretical site. The impact of the latest valuation is shown in note 24.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset recorded in note 24.

In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust. It is possible that the COVID-19 pandemic will affect the Trust's future assessment of what would be required in a modern equivalent asset, but as yet there is insufficient evidence to affect the assumptions used in the valuation.

Note 2 Operating Segments

All activity for the Trust is healthcare related. As the operating segments have similar characteristics there is no requirement to report segmentally.

Whilst the Trust has a divisional structure in place the services that are provided are essentially all the same (patient care) and the majority of risks faced by each division are fundamentally the same.

Note 3 Operating income from patient care activities (Group)

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)	**2021/22**	**2020/21**
	£000	**£000**
Acute services		
Block contract / system envelope income*	318,440	252,803
High cost drugs income from commissioners (excluding pass-through costs)	18,319	16,401
Other NHS clinical income	3,769	25,413
Community services		
Block contract / system envelope income*	38,392	38,087
Income from other sources (e.g. local authorities)	12,647	12,277
All services		
Private patient income	52	21
Elective recovery fund	6,715	-
Additional pension contribution central funding**	10,755	10,200
Other clinical income	1,276	1,788
Total income from activities	**410,365**	**356,990**

Note 3.2 Income from patient care activities (by source)

	2021/22	**2020/21**
	£000	**£000**
NHS England	44,668	41,427
Clinical commissioning groups	351,555	301,172
Other NHS providers	91	105
NHS other	-	189
Local authorities	12,647	13,356
Non-NHS: private patients	52	21
Non-NHS: overseas patients (chargeable to patient)	112	76
Injury cost recovery scheme*	663	644
Non NHS: other	577	-
Total income from activities	**410,365**	**356,990**

* Injury cost recovery income is subject to a provision for impairment of receivables of 22.4% to reflect expected rates of collection. The impairment percentage has been calculated by the Trust based on previous experience.

Note 4.1 Other operating income (Group)

	2021/22		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	680	-	**680**
Education and training	12,837	525	**13,362**
Non-patient care services to other bodies	2,573	-	**2,573**
Reimbursement and top up funding	2,520	-	**2,520**
Income in respect of employee benefits accounted on a gross basis	3,348	-	**3,348**
Receipt of capital grants and donations	-	112	**112**
Charitable and other contributions to expenditure		1,104	**1,104**
Rental revenue from operating leases	-	286	**286**
Other income	5,141	-	**5,141**
Total other operating income	**27,099**	**2,027**	**29,126**

	2020/21		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	700	-	**700**
Education and training	11,338	479	**11,817**
Non-patient care services to other bodies	2,473	-	**2,473**
Reimbursement and top up funding	25,020	-	**25,020**
Income in respect of employee benefits accounted on a gross basis	3,169	-	**3,169**
Receipt of capital grants and donations	-	431	**431**
Charitable and other contributions to expenditure		7,120	**7,120**
Rental revenue from operating leases	-	203	**203**
Other income	2,230	-	**2,230**
Total other operating income	**44,930**	**8,233**	**53,163**

Note 4.2 Other within other operating income (Group)

	2021/22	2020/21
	£000	£000
Car parking	571	361
Pharmacy sales	134	34
Property rentals	-	35
Staff accommodation rentals	17	3
Estates recharges	243	173
IT recharges	445	160
Staff contributions to employee benefit schemes	17	6
Clinical tests	217	224
Clinical excellence awards	432	367
Other income generation schemes	28	41
Other income not already covered	3,037	826
Total	**5,141**	**2,230**

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2021/22	2020/21
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end.	1,535	1,299

Note 5.2 Income from activities arising from commissioner requested services

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

	2021/22	2020/21
	£000	£000
Income from services designated as commissioner requested services	396,223	342,599
Income from services not designated as commissioner requested services	14,142	14,391
Total	**410,365**	**356,990**

Note 6 Overseas visitors (relating to patients charged directly by the provider)

	2021/22	2020/21
	£000	£000
Income recognised this year	112	76
Cash payments received in-year	22	28
Amounts added to provision for impairment of receivables	-	61
Amounts written off in-year	-	125

Note 7 Income generation

The Trust undertakes income generation activities with an aim of achieving profit. The total income generation for the year ended 31 March 2022 was £30k. (£25k for the year ended 31 March 2020) This is included within other income.

Note 8 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The trust's surplus/(defict) for the period was £(2,375k) (2020/21: £(10,138k)). The trust's total comprehensive income/(expense) for the period was £(2,086)k (2020/21: £(15,486k)).

Note 9.1 Operating expenses (Group)

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,885	3,673
Purchase of healthcare from non-NHS and non-DHSC bodies	4,703	1,019
Staff and executive directors costs	312,958	290,791
Remuneration of non-executive directors	150	150
Supplies and services - clinical (excluding drugs costs)	28,128	27,828
Supplies and services - general	4,412	4,350
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	25,509	22,445
Inventories written down	127	177
Consultancy costs	351	230
Establishment	3,004	2,613
Premises	26,319	27,510
Transport (including patient travel)	852	727
Depreciation on property, plant and equipment	6,476	5,305
Amortisation on intangible assets	1,799	916
Net impairments	1,183	10,926
Change in provisions discount rate(s)	17	29
Audit fees payable to the external auditor		
audit services- statutory audit	124	74
other auditor remuneration (external auditor only)	-	-
Internal audit costs	101	181
Clinical negligence	16,413	14,316
Legal fees	135	64
Insurance	313	385
Education and training	1,577	1,498
Rentals under operating leases	271	188
Early retirements	30	-
Redundancy	-	30
Losses, ex gratia & special payments	211	415
Other	1,499	1,575
Total	**439,547**	**417,415**

Note 9.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1 million (2020/21: £1 million).

Note 10 Impairment of assets (Group)

	2021/22	2020/21
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	1,183	10,926
Total net impairments charged to operating surplus / deficit	**1,183**	**10,926**
Impairments charged to the revaluation reserve	1,257	10,557
Total net impairments	**2,440**	**21,483**

Note 11 Employee benefits (Group)

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	236,535	226,598
Social security costs	22,631	21,085
Apprenticeship levy	1,016	1,028
Employer's contributions to NHS pensions*	35,872	34,081
Termination benefits	185	202
Temporary staff (including agency)	17,785	8,052
Total gross staff costs	**314,024**	**291,046**
Recoveries in respect of seconded staff	-	-
Total staff costs	**314,024**	**291,046**
Of which		
Costs capitalised as part of assets	881	52

	2021/22 £000	2020/21 £000
Analysed as		
Employee expense - Executive directors	**1,340**	1,294
Employee expense - Staff costs	**312,684**	289,752
Total gross staff costs is comprised of:	**314,024**	291,046

* see note 3.1 for increase in employers contributions to NHS pension costs

Note 12 Directors' remuneration (Group)

	2021/22 £'000	2020/21 £'000
Directors' remuneration	**1,490**	1,444
Employer contribution to a pension scheme in respect of directors	**145**	139

	2021/22 Number	2020/21 Number
The total number of directors to whom benefits are accruing under defined benefit schemes	**8**	8

Further details on directors' remuneration can be found in the remuneration report.

Note 13 Key management remuneration (Group)

Key management is defined as the executive and non executive directors of the Trust. Further details of their remuneration can be found in the 2022/23 remuneration report published as part of the Trust's annual report.

Note 14 Retirements due to ill-health (Group)

During 2021/22 there were 2 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £110k (£70k in 2020/21).

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

Note 15.1 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

Note 15.2 Pension costs - other schemes

The employees of IFM have access to the National Employment Savings Trust (NEST) defined contribution pension scheme.

Note 16 Operating leases (Group)

Note 16.1 Bolton NHS Foundation Trust as a lessor

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

The £286k received in rental revenue includes rentals received from WRVS for the use of rooms within the hospital for providing shops; rentals from High Meadows Nursery and from Elior (outsourced catering).

	2021/22	2020/21
	£000	£000
Operating lease revenue		
Contingent rent	286	203
Total	**286**	**203**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	286	282
- later than one year and not later than five years;	715	655
- later than five years.	906	1,035
Total	**1,907**	**1,972**

Note 16.2 Bolton NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Bolton NHS Foundation Trust is the lessee.

Operating lease payments include £58k for leased vehicles and £213k for equipment leases.
The contracts for equipment leases are taken out for between 5 and 10 years, whilst vehicle leases are taken out for 3 years.

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	271	188
Total	**271**	**188**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	257	56
- later than one year and not later than five years;	387	19
- later than five years.	27	-
Total	**671**	**75**

Note 17 Finance income (Group)

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

	2021/22	2020/21
	£000	£000
Interest on bank accounts	17	(9)
Total finance income	**17**	**(9)**

Note 18.1 Finance expenditure (Group)

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

	2021/22	2020/21
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	920	992
Finance leases	9	5
Interest on late payment of commercial debt	38	-
Total interest expense	**967**	**997**
Unwinding of discount on provisions	(1)	(2)
Total finance costs	**966**	**995**

Note 18.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2021/22	2020/21
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	729	728
Amounts included within interest payable arising from claims made under this legislation	38	-

Note 19 Other gains / (losses) (Group)

	2021/22	2020/21
	£000	£000
Losses on disposal of assets	-	(2)
Total other gains / (losses)	**-**	**(2)**

Note 20 Taxation on profit (Group)

Tax charged in the profit and loss account

	2021/22	2020/21
	£000	£000
Current taxation		
Current tax on profits for the year	224	183
Adjustment in respect of prior years	(1)	173
Total current taxation	**223**	**356**
Deferred taxation		
Current year	100	129
Adjustment in respect of prior years	-	(170)
Effect of changes in tax rates	(1,046)	-
Total deferred tax	**(946)**	**(41)**
Income tax expense reported in the SOCI	**(723)**	**315**

The charge for the year can be reconciled to the profit per the income statement as follows

Profit for the year	581	552
Tax on profit at standard UK tax rate of 19%	110	105
Adjustments in respect of prior years	(1)	3
Leases	214	207
Tax rate changes	(1,046)	-
Tax credit for the year	**(723)**	**315**
Income tax expense reported in the income statement	**(723)**	**315**

Note 21.1 Intangible assets - 2021/22

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**12,996**	**-**	**12,996**
Transfers by absorption	**-**	247	**247**
Additions	1,186	2,999	**4,185**
Reclassifications	56	-	**56**
Valuation / gross cost at 31 March 2022	**14,238**	**3,246**	**17,484**
Amortisation at 1 April 2021 - brought forward	**5,253**	**-**	**5,253**
Provided during the year	1,799	-	**1,799**
Amortisation at 31 March 2022	**7,052**	**-**	**7,052**
Net book value at 31 March 2022	**7,186**	**3,246**	**10,432**
Net book value at 1 April 2021	**7,743**	**-**	**7,743**

Note 21.2 Intangible assets - 2020/21

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**7,296**	**12,562**	**19,858**
Additions	753	-	**753**
Revaluation	(4,943)		**(4,943)**
Reclassifications	9,890	(12,562)	**(2,672)**
Valuation / gross cost at 31 March 2021	**12,996**	**-**	**12,996**
Amortisation at 1 April 2020 - as previously stated	**4,337**	**-**	**4,337**
Provided during the year	916	-	**916**
Impairments	4,943	-	**4,943**
Revaluation	(4,943)		**(4,943)**
Amortisation at 31 March 2021	**5,253**	**-**	**5,253**
Net book value at 31 March 2021	**7,743**	**-**	**7,743**
Net book value at 1 April 2020	**2,959**	**12,562**	**15,521**

Note 21.3 Intangible assets - 2021/22

Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**12,988**	**-**	**12,988**
Transfers by absorption		247	**247**
Additions	1,187	2,763	**3,950**
Reclassifications	56	-	**56**
Valuation / gross cost at 31 March 2022	**14,231**	**3,010**	**17,241**
Amortisation at 1 April 2021 - brought forward	**5,252**	**-**	**5,252**
Provided during the year	1,798	-	**1,798**
Amortisation at 31 March 2022	**7,050**	**-**	**7,050**
Net book value at 31 March 2022	**7,181**	**3,010**	**10,191**
Net book value at 1 April 2021	**7,736**	**-**	**7,736**

Note 21.4 Intangible assets - 2020/21

Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**7,288**	**12,562**	**19,850**
Additions	753		**753**
Revaluation	(4,943)		**(4,943)**
Reclassifications	9,890	(12,562)	**(2,672)**
Valuation / gross cost at 31 March 2021	**12,988**	**-**	**12,988**
Amortisation at 1 April 2020 - as previously stated	**4,337**	**-**	**4,337**
Provided during the year	915	-	**915**
Impairments	4,943		**4,943**
Revaluation	(4,943)		**(4,943)**
Amortisation at 31 March 2021	**5,252**	**-**	**5,252**
Net book value at 31 March 2021	**7,736**	**-**	**7,736**
Net book value at 1 April 2020	**2,951**	**12,562**	**15,513**

Note 22.1 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**3,051**	**74,241**	**538**	**6,506**	**34,389**	**129**	**21,883**	**423**	**141,160**
Transfers by absorption	-	-	-	705	11	-	-	-	**716**
Additions	-	1,488	-	14,716	3,705	-	1,822	-	**21,731**
Impairments	-	(1,257)	-	-	-	-	-	-	**(1,257)**
Revaluations	-	1,579	(32)	-	-	-	-	-	**1,547**
Reclassifications	-	3,211	-	(4,524)	960	-	297	-	**(56)**
Disposals / derecognition	-	-	-	-	(470)	-	-	-	**(470)**
Valuation/gross cost at 31 March 2022	**3,051**	**79,262**	**506**	**17,403**	**38,595**	**129**	**24,002**	**423**	**163,371**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**-**	**-**	**-**	**22,240**	**126**	**10,053**	**423**	**32,842**
Provided during the year	-	2,199	12	-	2,155	1	2,109	-	**6,476**
Impairments	-	1,183	-	-	-	-	-	-	**1,183**
Disposals / derecognition	-	-	-	-	(470)	-	-	-	**(470)**
Accumulated depreciation at 31 March 2022	**-**	**3,382**	**12**	**-**	**23,925**	**127**	**12,162**	**423**	**40,031**
Net book value at 31 March 2022	**3,051**	**75,880**	**494**	**17,403**	**14,670**	**2**	**11,840**	**-**	**123,340**
Net book value at 1 April 2021	**3,051**	**74,241**	**538**	**6,506**	**12,149**	**3**	**11,830**	**-**	**108,318**

Note 22.2 Property, plant and equipment - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**3,051**	**82,297**	**549**	**2,288**	**31,537**	**129**	**16,759**	**423**	**137,033**
Transfers by absorption	-	-	-	35	-	-	-	-	**35**
Additions	-	3,566	-	6,188	2,867	-	1,969	-	**14,590**
Impairments	-	(10,557)	-	-	-	-	-	-	**(10,557)**
Revaluations	-	(2,533)	(11)	-	-	-	-	-	**(2,544)**
Reclassifications	-	1,468	-	(2,005)	54	-	3,155	-	**2,672**
Disposals / derecognition	-	-	-	-	(69)	-	-	-	**(69)**
Valuation/gross cost at 31 March 2021	**3,051**	**74,241**	**538**	**6,506**	**34,389**	**129**	**21,883**	**423**	**141,160**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**-**	**-**	**-**	**20,262**	**125**	**8,565**	**422**	**29,374**
Provided during the year	-	1,759	11	-	2,045	1	1,488	1	**5,305**
Impairments	-	5,983	-	-	-	-	-	-	**5,983**
Revaluations	-	(7,742)	(11)	-	-	-	-	-	**(7,753)**
Disposals / derecognition	-	-	-	-	(67)	-	-	-	**(67)**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**22,240**	**126**	**10,053**	**423**	**32,842**
Net book value at 31 March 2021	**3,051**	**74,241**	**538**	**6,506**	**12,149**	**3**	**11,830**	**-**	**108,318**
Net book value at 1 April 2020	**3,051**	**82,297**	**549**	**2,288**	**11,275**	**4**	**8,194**	**1**	**107,659**

Note 22.3 Property, plant and equipment financing - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022									
Owned - purchased	3,051	74,832	494	17,403	10,704	2	11,806	-	**118,292**
Finance leased	-	-	-	-	2,919	-	-	-	**2,919**
Owned - donated	-	1,048	-	-	1,047	-	34	-	**2,129**
NBV total at 31 March 2022	**3,051**	**75,880**	**494**	**17,403**	**14,670**	**2**	**11,840**	**-**	**123,340**

Note 22.4 Property, plant and equipment financing - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	3,051	73,459	538	6,506	8,770	3	11,788	-	**104,115**
Finance leased	-	-	-	-	2,183	-	-	-	**2,183**
Owned - donated	-	782	-	-	1,196	-	42	-	**2,020**
NBV total at 31 March 2021	**3,051**	**74,241**	**538**	**6,506**	**12,149**	**3**	**11,830**	**-**	**108,318**

Note 22.5 Property, plant and equipment - 2021/22

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**3,051**	**74,241**	**538**	**6,377**	**34,267**	**129**	**21,853**	**423**	**140,879**
Transfers by absorption	-	-	-	705	11	-	-	-	**716**
Additions	-	1,488	-	14,563	3,699	-	1,822	-	**21,572**
Impairments	-	(1,257)	-	-	-	-	-	-	**(1,257)**
Revaluations	-	1,579	(32)	-	-	-	-	-	**1,547**
Reclassifications	-	3,211	-	(4,524)	960	-	297	-	**(56)**
Disposals / derecognition	-	-	-	-	(470)	-	-	-	**(470)**
Valuation/gross cost at 31 March 2022	**3,051**	**79,262**	**506**	**17,121**	**38,467**	**129**	**23,972**	**423**	**162,931**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**-**	**-**	**-**	**22,214**	**126**	**10,049**	**423**	**32,812**
Provided during the year	-	2,199	12	-	2,139	-	2,108	-	**6,458**
Impairments	-	1,183	-	-	-	-	-	-	**1,183**
Disposals / derecognition	-	-	-	-	(470)	-	-	-	**(470)**
Accumulated depreciation at 31 March 2022	**-**	**3,382**	**12**	**-**	**23,883**	**126**	**12,157**	**423**	**39,983**
Net book value at 31 March 2022	**3,051**	**75,880**	**494**	**17,121**	**14,584**	**3**	**11,815**	**-**	**122,948**
Net book value at 1 April 2021	**3,051**	**74,241**	**538**	**6,377**	**12,053**	**3**	**11,804**	**-**	**108,067**

Note 22.6 Property, plant and equipment - 2020/21

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**3,051**	**82,297**	**549**	**2,266**	**31,470**	**129**	**16,729**	**423**	**136,914**
Transfer by absorption	**-**	**-**	**-**	**35**	**-**	**-**	**-**	**-**	**35**
Additions	-	3,566	-	6,081	2,812	-	1,969	-	**14,428**
Impairments		(10,557)	-	-	-	-	-	-	**(10,557)**
Revaluations	-	(2,533)	(11)	-	-	-	-	-	**(2,544)**
Reclassifications	-	1,468	-	(2,005)	54	-	3,155	-	**2,672**
Disposals / derecognition	-	-	-	-	(69)	-	-	-	**(69)**
Valuation/gross cost at 31 March 2021	**3,051**	**74,241**	**538**	**6,377**	**34,267**	**129**	**21,853**	**423**	**140,879**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**-**	**-**	**-**	**20,247**	**125**	**8,563**	**422**	**29,357**
Provided during the year	-	1,759	11	-	2,034	1	1,486	1	**5,292**
Impairments	-	5,983	-	-	-	-	-	-	**5,983**
Revaluations	-	(7,742)	(11)	-	-	-	-	-	**(7,753)**
Disposals / derecognition	-	-	-	-	(67)	-	-	-	**(67)**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**22,214**	**126**	**10,049**	**423**	**32,812**
Net book value at 31 March 2021	**3,051**	**74,241**	**538**	**6,377**	**12,053**	**3**	**11,804**	**-**	**108,067**
Net book value at 1 April 2020	**3,051**	**82,297**	**549**	**2,266**	**11,223**	**4**	**8,166**	**1**	**107,557**

Note 22.7 Property, plant and equipment financing - 2021/22

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022									
Owned - purchased	3,051	74,832	494	17,121	10,618	3	11,781	-	**117,900**
Finance leased	-	-	-	-	2,919	-	-	-	**2,919**
Owned - donated	-	1,048	-	-	1,047	-	34	-	**2,129**
NBV total at 31 March 2022	**3,051**	**75,880**	**494**	**17,121**	**14,584**	**3**	**11,815**	**-**	**122,948**

Note 22.8 Property, plant and equipment financing - 2020/21

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	3,051	73,459	538	6,377	8,674	3	11,762	-	**103,864**
Finance leased	-	-	-	-	2,183	-	-	-	**2,183**
Owned - donated	-	782	-	-	1,196	-	42	-	**2,020**
NBV total at 31 March 2021	**3,051**	**74,241**	**538**	**6,377**	**12,053**	**3**	**11,804**	**-**	**108,067**

Note 23 Donations of property, plant and equipment

Assets totalling £112k have been donated by Bolton NHS Charitable Fund. These are:

	£'000
Site wide cycle lockers	49
Refurbishment of parental accommodation	34
Patient monitor for cardiology	14
Refurbishment of flooring in breast unit	5
Medial training dummy for neonatal	5
Spot screener for ophthalmology	5

Note 24 Revaluations of property, plant and equipment

At 31 March 2022 no land, buildings or dwellings were valued at open market value.

The date of the latest revaluation of land and buildings was 31 March 2022. The valuation was carried out by Cushman and Wakefield, a RICS registered individual. The valuation was completed using a "modern equivalent assets - alternate site" basis on the grounds that this was a more appropriate method of calculation. The decision to use this basis for the first time was approved by the Audit Committee on behalf of the Board in February 2015.

From 1 April 2016, the valuation of the Trust's building assets has been completed net of VAT. This assumes that any reconstruction of property assets with equivalent service potential to the existing estate would be procured through a special purpose vehicle, namely IFM, in a way that would allow VAT to be recovered in full.

The overall effect of the revaluation was a decrease in the value of land and buildings of £892,876. This is shown in the accounts as detailed below

Impairment charged to SOCI	(1,182,729)	note 9
Impairment charged to revaluation reserve	(1,256,901)	note 39
Revaluation charged to revaluation reserve	1,546,754	note 39
Total decrease in value of land and buildings	(892,876)	

Note 25 Investments in subsidary

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**-**	**-**	**16,245**	**16,008**
Share of subsidiary profit	-	-	1,305	237
Carrying value at 31 March	**-**	**-**	**17,550**	**16,245**

The shares in the subsidiary company IFM comprises a 100% holding in the share capital consisting of 12,435,255 ordinary £1 shares.

Note 26 Loans to subsidary

	GROUP		FOUNDATION TRUST	
	2021/22	**2020/21**	**2021/22**	**2020/21**
	£000	£000	**£000**	£000
Loans to subsidiary undertakings < 1 year	-	-	**885**	855
Loans to subsidiary undertakings > 1 year	-	-	**24,136**	25,021
	-	**-**	**25,021**	**25,876**

Note 27 Inventories

	Group		Trust	
	31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
	£000	**£000**	**£000**	**£000**
Drugs	1,413	1,391	1,413	1,391
Consumables	2,495	2,710	2,380	2,625
Energy	-	32	-	-
Other	309	277	-	-
Total inventories	**4,217**	**4,410**	**3,793**	**4,016**

Inventories recognised in expenses for the year were £28,447k (2020/21: £27,058k). Write-down of inventories recognised as expenses for the year were £127k (2020/21: £177k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £1,104k of items purchased by DHSC.

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

Note 28.1 Receivables

	Group		Trust	
	31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
	£000	**£000**	**£000**	**£000**
Current				
Contract receivables	9,822	7,126	10,125	7,090
Allowance for impaired contract receivables / assets	(587)	(576)	(554)	(526)
Prepayments (non-PFI)	7,854	4,346	7,361	4,082
PDC dividend receivable	-	545	-	545
VAT receivable	1,410	871	1,018	871
Deferred tax	220	201	-	-
Loan repayments from IFM	-	-	885	855
Other receivables	111	19	111	52
Total current receivables	**18,830**	**12,532**	**18,946**	**12,969**
Non-current				
Allowance for other impaired receivables	(257)	(275)	(255)	(291)
Deferred tax	4,142	3,171	-	-
Other receivables	1,205	357	1,205	277
Total non-current receivables	**5,090**	**3,253**	**950**	**(14)**
Of which receivable from NHS and DHSC group bodies:				
Current	7,171	5,053		
Non-current	1,028	-		

Note 28.2 Allowances for credit losses - 2021/22

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2021 - brought forward	**851**	**-**	**817**	**-**
New allowances arising	-	-	-	-
Utilisation of allowances	(7)	-	(27)	-
Allowances as at 31 Mar 2022	**844**	**-**	**790**	**-**

Receivables impaired during the period relate to the:
movement in the provision for bad debt on the injury cost recovery scheme.
movement in the provision for bad debt on receivables.

Note 28.3 Allowances for credit losses - 2020/21

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2020 - as previously stated	**875**	**-**	**844**	**-**
New allowances arising	-	-	-	-
Utilisation of allowances	(24)		(27)	-
Allowances as at 31 Mar 2021	**851**	**-**	**817**	**-**

Note 29.1 Cash and cash equivalents movements

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

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
At 1 April	**45,508**	**16,995**	**36,673**	**11,295**
Net change in year	11,312	28,513	12,151	25,378
At 31 March	**56,820**	**45,508**	**48,824**	**36,673**
Broken down into:				
Cash at commercial banks and in hand	9	11	8	8
Cash with the Government Banking Service	56,811	45,497	48,816	36,665
Total cash and cash equivalents as in SoFP	**56,820**	**45,508**	**48,824**	**36,673**
Total cash and cash equivalents as in SoCF	**56,820**	**45,508**	**48,824**	**36,673**

Note 29.2 Third party assets held by the trust

Bolton NHS Foundation Trust held no cash and cash equivalents which related to monies held on behalf of patients or other parties.

Note 30.1 Trade and other payables

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Trade payables	7,691	4,902	10,187	8,673
Capital payables	14,878	6,927	11,884	1,750
Accruals	25,559	14,905	22,856	12,864
VAT payables	-	706	-	-
Other taxes payable	6,094	5,828	5,576	5,365
PDC dividend payable	138	-	138	-
Other payables	7,322	5,193	6,803	4,410
Total current trade and other payables	**61,682**	**38,461**	**57,444**	**33,062**
Of which payables from NHS and DHSC group bodies:				
Current	7,385	4,037		
Non-current	-	-		

Other payables include:
Outstanding pension contributions of £3,514k at the 31 March 2022 (£3,333k at 31 March 2021).
Pension contributions are paid a month in arrears.

Note 31 Other liabilities

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	3,323	2,249	3,323	2,204
Total other current liabilities	**3,323**	**2,249**	**3,323**	**2,204**

Note 32.1 Borrowings

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Current				
Loans from DHSC	4,073	4,362	4,073	4,362
Obligations under finance leases	105	-	1,833	1,728
Total current borrowings	**4,178**	**4,362**	**5,906**	**6,090**
Non-current				
Loans from DHSC	35,713	39,430	35,713	39,430
Obligations under finance leases	-	-	31,219	32,946
Total non-current borrowings	**35,713**	**39,430**	**66,932**	**72,376**

The Trust has three loans with the DHSC which total £39,786k. These are summarised below:

	Amount Outstanding at 31 March 2022 £'000	Term of the original loan	Fixed Interest rate	Date to be fully repaid
"Making it Better" developments within Womens and Childrens Services	9,072	20 years	3.75%	Oct-29
Estate Strategy	21,821	25 years	2.22%	Nov-40
EPR	8,893	10 years	0.83%	Nov-27

Note 32.2 Reconciliation of liabilities arising from financing activities (Group)

Group - 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2021	**43,792**	**-**	**43,792**
Cash movements:			
Financing cash flows - payments and receipts of principal	(3,977)	(673)	**(4,650)**
Financing cash flows - payments of interest	(949)	(9)	**(958)**
Non-cash movements:			
Additions	-	1,283	**1,283**
Application of effective interest rate	920	9	**929**
Other changes	-	(505)	**(505)**
Carrying value at 31 March 2022	**39,786**	**105**	**39,891**

Group - 2020/21	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2020	**45,985**	**-**	**45,985**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,167)	-	**(2,167)**
Financing cash flows - payments of interest	(1,018)	(5)	**(1,023)**
Non-cash movements:			
Application of effective interest rate	992	5	**997**
Carrying value at 31 March 2021	**43,792**	**-**	**43,792**

Note 32.3 Reconciliation of liabilities arising from financing activities (Trust)

Trust - 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2021	**43,792**	**34,674**	**78,466**
Cash movements:			
Financing cash flows - payments and receipts of principal	(3,977)	(2,401)	**(6,378)**
Financing cash flows - payments of interest	(949)	1,158	**209**
Non-cash movements:			
Additions	-	1,283	**1,283**
Application of effective interest rate	920	(1,158)	**(238)**
Other changes	-	(504)	**(504)**
Carrying value at 31 March 2022	**39,786**	**33,052**	**72,838**

Trust - 2020/21	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2020	**45,985**	**36,343**	**82,328**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,167)	(1,669)	**(3,836)**
Financing cash flows - payments of interest	(1,018)	1,226	**208**
Non-cash movements:			
Application of effective interest rate	992	(1,226)	**(234)**
Carrying value at 31 March 2021	**43,792**	**34,674**	**78,466**

Note 33 Finance leases

Note 33.1 Bolton NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.

Finance leases are for medical equipment used within the Trust. These relate to a Managed Facilities Service in Radiology that commenced in July 2010. The capital value of the assets provided to date under this facility is £7,662k. The facility is for a 15 year term.

As at the 31 March 2022 the finance lease was £105k.

A finance lease for property and equipment between IFM and the Trust commenced on 1st April 2017, the value of the lease was £41,020k and was for 25 years. At 1st April 2022 the current value is £32,946k with 20 years remaining.

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Gross lease liabilities	**105**	**-**	**45,741**	**48,530**
of which liabilities are due:				
- not later than one year;	105	-	2,387	2,895
- later than one year and not later than five years;	-	-	6,846	6,845
- later than five years.	-	-	36,508	38,790
Finance charges allocated to future periods	-	-	(12,689)	(13,856)
Net lease liabilities	**105**	**-**	**33,052**	**34,674**
of which payable:				
- not later than one year;	-	-	1,270	1,728
- later than one year and not later than five years;	105	-	3,746	3,619
- later than five years.	-	-	28,036	29,327

Note 34.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**24**	**472**	**112**	**3,886**	**4,494**
Change in the discount rate	-	17	-	-	**17**
Arising during the year	-	-	90	4,378	**4,468**
Utilised during the year	(5)	(21)	(10)	(96)	**(132)**
Reversed unused	(12)	-	(69)	(1,236)	**(1,317)**
Unwinding of discount	**-**	(1)	**-**	**-**	**(1)**
At 31 March 2022	**7**	**467**	**123**	**6,932**	**7,529**
Expected timing of cash flows:					
- not later than one year;	-	22	123	5,904	**6,049**
- later than one year and not later than five years;	-	89	-	160	**249**
- later than five years.	7	356	-	868	**1,231**
Total	**7**	**467**	**123**	**6,932**	**7,529**

Other provisions include a provision for estimated tax cost which the Trust deems likely to become payable in the future.

Other includes Employer's and Occupiers' Liability cases these relate to cases that have more than a 50% chance of being settled. Claims that have a remote chance of being settled are classed as contingent liabilities and disclosed in note 37.

In January 2009 the Trust signed an agreement with the NHS Resolution that in the event of the Trust (i) choosing to leave the CNST voluntarily and (ii) in the event of insolvency, the Trust would be required to compensate the NHS Resolution for all outstanding clinical negligence claims i.e. lump sum liability. This is not included in the provisions note above.

Note 34.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**24**	**472**	**112**	**3,605**	**4,213**
Change in the discount rate		17			**17**
Arising during the year			90	4,290	**4,380**
Utilised during the year	(5)	(21)	(10)	(96)	**(132)**
Reversed unused	(12)		(69)	(967)	**(1,048)**
Unwinding of discount		(1)			**(1)**
At 31 March 2022	**7**	**467**	**123**	**6,832**	**7,429**
Expected timing of cash flows:					
- not later than one year;	-	22	123	5,804	**5,949**
- later than one year and not later than five years;	-	89		160	**249**
- later than five years.	7	356		868	**1,231**
Total	**7**	**467**	**123**	**6,832**	**7,429**

Note 34.3 Clinical negligence liabilities

At 31 March 2022, £402,150k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Bolton NHS Foundation Trust (31 March 2021: £256,966k).

Note 35 Contingent liabilities

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(96)	(72)	(96)	(72)
Value of contingent liabilities	**(96)**	**(72)**	**(96)**	**(72)**

Note 36 Contractual capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Property, plant and equipment	9,944	1,690	75	15
Intangible assets	419	17	414	17
Total	**10,363**	**1,707**	**489**	**32**

Note 37 Financial instruments

Note 37.1 Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with 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.

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

Currency risk

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

Interest rate risk

The Trust borrows from Government for capital expenditure, subject to affordability as confirmed by NHSI. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund (NLF) rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

The majority of the Trust's income comes from contracts with other public sector bodies; the Trust therefore has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with CCGs, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 37.2 Carrying values of financial assets

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Trade and other receivables excluding non financial assets	9,128	6,509	9,462	6,502
Other investments / financial assets	-	-	25,021	25,876
Cash and cash equivalents	56,820	45,508	48,824	36,673
Total at 31 March 2022	**65,948**	**52,017**	**83,307**	**69,051**

Note 37.3 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2022	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Borrowings excluding finance leases	39,786	43,792	39,786	43,792
Obligations under finance leases	105	-	33,052	34,674
Trade and other payables excluding non financial liabilities	48,266	26,395	44,928	22,947
Provisions under contract	467	473	467	473
Total at 31 March 2022	**88,624**	**70,660**	**118,233**	**101,886**

Note 37.4 Fair values of financial assets and liabilities

The book value (carrying value)of the financial assets and financial liabilities is a reasonable approximation of fair value.

Note 37.5 Maturity of financial liabilities

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £0	31 March 2021 £000
In one year or less	52,466	30,778	50,293	29,058
In more than one year but not more than five years	12,646	14,955	18,702	18,574
In more than five years	23,512	24,927	49,238	54,254
Total	**88,624**	**70,660**	**118,233**	**101,886**

Note 38 Movements in PDC

PDC is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. Additional PDC may also be issued to the Trusts by the DHSC. A charge, reflecting the cost of capital utilised by the Trust, is payable to the DHSC as the PDC dividend.

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
PDC as at 1 April	121,119	110,082	121,119	110,082
PDC received *	14,317	11,037	14,317	11,037
PDC as at 31 March	**135,436**	**121,119**	**135,436**	**121,119**

* In 2021/22 the Trust received £14,317k PDC for the following schemes:

	£000
Frontline Digitalisation	4,767
GM TiF	3,568
LIMS	3,189
Digital UTF Infrastructure Fund	750
TiF (£607k)	607
Digital Maternity Unified Tech Fund	548
GM TiF monies re endoscopy spend	370
Cyber Implementation O365 Backup capability	250
Home Reporting	106
LIMS MRI Accelerator Technology	93
Community Diagnostic Hub	48
LIMS - Cepheid Interopability	15
POCT	6
Total	**14,317**

Note 39 Movements in 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.

	Group		Trust	
	31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
	£000	£000	**£000**	£000
Revaluation reserve at 1 April	**27,489**	32,837	**27,489**	32,837
Impairments	**(1,257)**	(10,557)	**(1,257)**	(10,557)
Revaluations	**1,547**	5,209	**1,547**	5,209
Asset disposal	**-**	-	**-**	-
Revaluation reserve at 31 March	**27,779**	27,489	**27,779**	27,489

Note 40 Losses and special payments

	2021/22		2020/21	
			Restated*	Restated*
Group and trust	**Total number of cases**	**Total value of cases**	**Total number of cases**	**Total value of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Cash losses	-	-	26	16
Bad debts and claims abandoned	1	1	59	150
Stores losses and damage to property	1	40	2	37
Total losses	**2**	**41**	**87**	**203**
Special payments				
Ex-gratia payments	26	14	29	522
Total special payments	**26**	**14**	**29**	**522**
Total losses and special payments	**28**	**55**	**116**	**725**

* amounts relating to the Flowers legal case (overtime paymemts during annual leave) have now been added in to last years figures. This has increased the losses and special payments by £494k for 2020/21.

There were no cases exceeding £300k.
These amounts have been prepared on an accruals basis but exclude provisions for future losses.

Note 41 Related parties

Details of related party transactions with statutory bodies or individuals are as follows:

	Receipts from Related Party	Payments to Related Party	Amounts due from Related Party	Amounts owed to Related Party
	£ '000	£ '000	£ '000	£ '000
Bolton Council	12,646	717	415	0
University of Salford	22	491	3	12
University of Manchester	77	44	-	3
Holt Doctors	-	276	-	-
Bolton Community Volunteer Service	-	125	-	-

The DHSC is regarded as a related party. During the period, the Trust has had a significant number of material transactions with the DHSC, and with other entities for which the DHSC is regarded as the parent. These entities are listed below:

	Receipts from Related Party	Payments to Related Party	Amounts due from Related Party	Amounts owed to Related Party
	£ '000	£ '000	£ '000	£ '000
DHSC	44	58	-	58
Health Education England (HEE)	12,911	-	2,616	47
Public Health England (PHE)	19	28	-	-
NHS Bolton CCG	242,762	-	1,064	338
NHS Manchester CCG	59,912	-	8	329
NHS England	37,853	6	1,728	812
NHS Wigan Borough CCG	18,643	-	-	-
NHS Salford CCG	17,828	-	-	-
NHS Bury CCG	11,220	-	-	-
Other CCGs & NHS England	1,409	-	69	10
Bridgewater Community Healthcare NHS Foundation Trust	163	-	73	-
Greater Manchester Mental Health NHS Foundation Trust	986	199	267	109
Lancashire Teaching Hospitals NHS Foundation Trust	61	16	46	33
Manchester University NHS Foundation Trust	1,096	1,346	284	1,576
Northern Care Alliance NHS Foundation Trust	419	1,464	130	1,573
Tameside and Glossop Integrated Care NHS Foundation Trust	37	-	3	-
Wrightington, Wigan and Leigh NHS Foundation Trust	82	275	33	709
The Christie NHS Foundation Trust	127	129	337	396
East Lancashire Hospitals NHS Trust	161	69	98	43
St Helens and Knowsley Hospital Services NHS Trust	95	4	39	819
Other NHS Providers	568	709	259	277

Note 41 Related parties continued

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with the NHS Pension Scheme and the National Insurance Fund in respect of employee contributions. These entries are listed below:

	Receipts from Related Party	Payments to Related Party	Amounts due from Related Party	Amounts owed to Related Party
	£ '000	£ '000	£ '000	£ '000
NHS Pensions Agency	-	35,872	26	-
NHS Resolution	183	16,413	-	-
NHS Property Services	-	2,469	-	912
Community Health Partnerships	-	3,822	-	475

The Trust has received revenue and capital benefit from purchases made by Bolton NHS Charitable Fund. The transactions are summarised below. The separate Trustees' Report and Accounts for Bolton NHS Charitable Fund are available on request.

	£ '000
Purchases made from Charitable Funds relating to capital assets transferred to the Trust	112

Note 42 Analysis of Whole of Government balanaces

	2021/22			
	Income transactions	Expenditure transactions	Current receivables	Current payables
	£000	£000	£000	£000
English NHS Foundation Trusts	3,317	3,930	1,327	4,563
English NHS Trusts	478	281	242	972
Health Education England	12,911	-	2,616	47
Department of Health and Social Care	44	58	-	58
NHS England and English CCGs	389,627	6	2,869	1,489
Special Health Authorities	261	16,417	78	140
Public Health England	19	28	-	-
DH NDPBs	25	262	-	4
Other DH bodies	-	6,291	-	1,387
Total NHS	**406,682**	**27,273**	**7,132**	**8,660**
Other WGA bodies - Local Government	14,857	844	673	1
Other WGA bodies - Central Government	127	60,465	1,478	6,221
Total	**421,666**	**88,582**	**9,283**	**14,882**

Note 43 Events after the reporting date

There are no events after the reporting date to report.