Bolton
NHS Foundation Trust

Annual Report and Accounts 2022/23

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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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Contents

FOREWORD

Chair and Chief Executive Introduction

Looking back on 2022/23, it is really clear that despite the worst days of the pandemic behind us, it has continued to be an incredibly challenging 12 months for the people of Bolton, and us as healthcare providers.

Our aim is always to provide the best care possible for the people of Bolton and beyond, though pressures across the Trust and the local health and care system, have at times meant that we have had to focus on maintaining our essential services safely to allow us to care for people in the right place at the right time.

Ongoing pressures in our emergency department, through the hospital and out into community services and getting patients safely home, has had a big impact on all of our services. The year ended and the new one has begun against the backdrop of industrial action for many professional groups, which impacted on our ability to deliver safe care.

The efforts of our staff to reduce the number of people who have been waiting a significant amount of time for treatment, meant that we ended the year with no patients waiting longer than 104 weeks. We know how much of an impact waiting for care can have on a person's life, and as we go into the next year, we will continue to focus our energies on reducing our waiting lists further.

During the last year we have welcomed in colleagues from the Care Quality Commission, who inspected both our hospital services and our maternity services and found good levels of care given and highly skilled teams at work. While both reports found many areas in which we perform well, they also acknowledged the areas in which we know improvements need to be made, and we are well on our way to address these. Importantly, the CQC found how our staff focused on the needs of patients receiving their care, treating them with compassion and kindness and also providing emotional support for their families and carers.

Our urgent and emergency services remain rated as good overall, and we continue to be one of the busiest emergency departments in Greater Manchester, with more than 130,000 attendances during the last year. Our urgent care team work relentlessly to help those who need our care, and to treat them in the most appropriate places. This has included development of our Same Day Emergency Care unit to help alleviate some of the pressure and congestion in our emergency department.

Our commitment to investing in our workforce continues and we were delighted to have welcomed more than 180 international nurses to Bolton. We are an exemplar site in the UK for international nursing recruitment partly due to our accommodation offer and we are the first organisation in the country to recruit two accommodation officers to support with the process. We also launched our Healthcare Assistant apprenticeship to help people step into a career in health, with so many applicants eager to join us, we had to close the advert early.

We launched our expanded staff networks this year, recognising the power of our differences and the value that diversity can bring not only for our staff, but for our patients and communities. There is always more to be done, and our ambition is to be a truly inclusive organisation and to have a culture where all our staff thrive and feel safe, respected and included.

For the fifth year running, we were the best place to work in Greater Manchester for our staff engagement, based on what our staff told us in the NHS Staff Survey. We are of course pleased that this is the experience of the staff who responded, but know that this isn't always reflective of every one of our colleagues. We continue to put routes in place for staff to speak up when things aren't right, listen to their experiences, then make improvements where we can.

Work continues on the Bolton College of Medical Sciences, which aims to support up to 3,000 learners each year and give prospective students a direct route into clinical healthcare employment. It is the single largest investment into healthcare and education in Bolton for decades, and we cannot wait for it to open in September 2024 and see the incredible difference it will make. The future of healthcare in Bolton is bright.

Our new modular theatre build is well underway, with £19.6m funding secured for four new theatres will significantly increase our theatre capacity for Bolton and Greater Manchester, which in turn will help to drive down waiting lists in the region. As part of this work we will also be creating a bespoke day case paediatric theatre hub by refurbishing Royal Bolton Hospital's existing day case theatres.

All of our work is ultimately to improve the lives of those we have the privilege to look after, and the integration of health and care services between sectors is key to this. Fiona was delighted to be appointed to the role of place-based lead for health and care integration for Bolton last July, one of 10 locality leads across Greater Manchester.

Working in partnership has been a part of the way we deliver our services for such a long time now, and as we move towards an ever more integrated system, there will be increased opportunity for collaboration. We will be able to shift our focus from treating people, to supporting them with their needs and helping them to live healthier lives. Integration in Bolton means coming together to help the people of Bolton live better, healthier lives.

Alongside this is our need to provide the very best value for public money as we possibly can, and making the best use of the Bolton pound. This year we're very proud to have finished in a stronger position financially than we estimated, thanks to the energy, creativity and hard work of the entire organisation focussing on new and imaginative ways to be more efficient whilst still providing excellent care.

On a final note, the past year has seen some changes to our Board of Directors and we would like to take this opportunity to thank our previous Chair for all their support and dedication during their time with us at Bolton. We are excited to see how we develop as an organisation and how we progress further on our integration journey.

As the new Chair of the organisation, Niruban added: “I am delighted to be taking up this position here in Bolton. I’ve worked for the people of Bolton for over ten years now, both in practice and in leadership positions, because I care about the health of the people here.

“I am passionate about everyone in Bolton, irrespective or where they live or what their background is, having access to the best possible care we can provide – in the right place and at the right time for their needs.”

We would also like to thank every single person in our organisation, who all play a key part in delivering our services. We are delighted to work with them all, as we continue to do all that we can to provide the services that our patients deserve.

Dr Niruban Ratnarajah
Chair, Bolton NHSFT

Fiona Noden
Chief Executive Bolton NHS FT

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 2022/23 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 provde a full range of estates and facilities services to the Trust including cleaning and porter 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

03 July 2023

2. OVERVIEW OF PERFORMANCE

2.1. Performance reporting

The 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. It also supports 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 standards outlined 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).*

2.2. Performance metrics

In this past year, we have continued to focus on reducing waiting times for those who need our services either as a planned appointment or in an emergency. During this period, we have met the milestone to eradicate waits for planned appointments of over 2 years, or 104 weeks. We have also managed to eliminate waits of over a year and a half, or 78 weeks, for the majority of people. We are now working to meet the next milestone to ensure that no one is waiting longer than 65 weeks by the end of March 2024.

At the same time, we are working to improve support to people while they are waiting, and we are also doing more to understand how health inequalities impact people while they are waiting.

For those who need our care urgently, we have made improvements in the latter part of the year aimed at people waiting more than 4 hours in the Emergency Department. However, we recognise that there is still more to be done. We have also not met the standard that we want to deliver for people waiting for cancer care and in this next year we are focused on delivering against our improvement plan.

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

The challenges of recovering from the impact of the pandemic has meant that this year, we struggled to achieve the operational performance metrics. Actions have been put in place to ensure that these are achieved in the future. The metrics are included in the Integrated Performance Report which is discussed monthly at Integrated

Performance Overview

Performance Management meetings attended by clinical division and executive directors.

In addition, the Trust has over the course of 2022/23 used a variety of methods to ensure that learning is captured, shared and embedded in a timely manner in formats that are engaging, helpful and easy to appreciate.

Performance against the relevant indicators and performance thresholds

(Risk Assessment Framework and NHS England Oversight Framework**)**

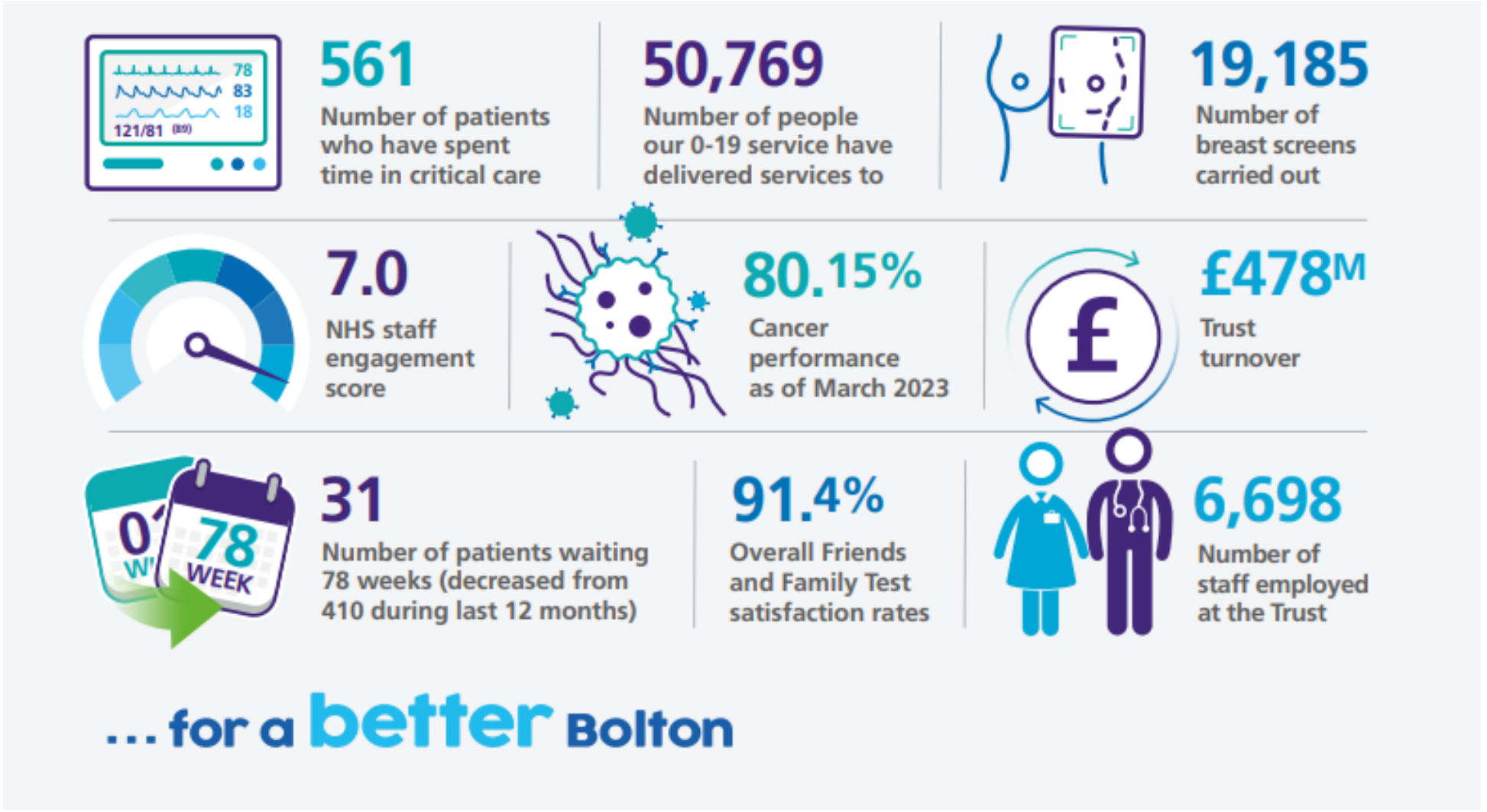
Indicator	Target	Apr 22 to Mar 23	Achieved	Apr 21 to Mar 22	Apr 20 to Mar 21
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (average for the year)	**92%**	60.29%	✗	65.4%	62.2%
A&E: Maximum waiting time of four from arrival to admission, transfer or discharge (avg for yr)	**95%**	59.48%	✗	66.84%	80%
All cancers: 62-day wait for first treatment from:					
Urgent GP referral for suspected cancer	**85%**	81.72%	✗	85.35%	83.74%
NHS Cancer Screening Service referral	**90%**	82.91%	✗	77.28%	74.45%
Clostridium difficile - meeting the C. difficile objective (*National data published September each year. Therefore, latest available published data is 2021/22)*	**19**	66	✗	40	43
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%**	86.10%	✗	66.9%	61.8%
Venous thromboembolism (VTE) risk assessment included in "**Reporting against core indicators section" 96.94%**					

Table 1

2.3. Summary of Performance in 2022/23

Figure 1

Figure 2


561
Number of patients who have spent time in critical care
50,769
Number of people our 0-19 service have delivered services to
19,185
Number of breast screens carried out
7.0
NHS staff engagement score
80.15%
Cancer performance as of March 2023
£478M
Trust turnover
31
Number of patients waiting 78 weeks (decreased from 410 during last 12 months)
91.4%
Overall Friends and Family Test satisfaction rates
6,698
Number of staff employed at the Trust
78
WEEK
... for a better Bolton

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. In the last couple of years, 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. This position is now improving.

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, high quality, 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 2022/23, the Trust recorded one never event against a target of zero. Whilst all never events are regrettable, there was a slight improvement from two never events reported in 2021/22.

Incidents, complaints, claims, audits and Inquests provide us with the opportunity to reflect when our practice could have been better, the Governance Team are central to ensuring that the intelligence gleaned from such events is accurate and focused on learning.

The Trust ensures that lessons learnt are shared with appropriate audiences across the organisation in formats that are engaging, helpful and easy to appreciate.

2.6. Financial Overview

The Annual Accounts included within this report provide a detailed breakdown of our financial performance in 2022/23.

The year was dominated by the post COVID-19 pandemic response and the reduction of waiting times. In year, the NHS Greater Manchester Integrated Care Partnership (GM ICP) was created to bring together all health and care organisations across its 10 boroughs. Financially GM ICP controlled the NHS income for all the providers and allocated that on a block basis. In addition, variable funds were available from the Elective Recovery Fund.

We ended the year with a performance deficit of £1.5m compared to £35k surplus recorded in the previous year. Looking at the accounts position, which includes technical items, excluded from the performance we reported a surplus of £2.8m compared to a £1.1m deficit in 2021/22. Overall, this was another strong financial performance given the challenges of the year, on a turnover of £478.3m.

During the year, we worked hard to control our costs where possible, saving a total of £22.2m. This was better than anticipated but was mainly delivered by one off savings of £18.0m.

We had a year-end cash balance of £58.2m, an increase of £1.4m from the previous year. Within the cash position for the year, we received £31.9m of funding for capital projects. Our cash position enabled us to achieve a Better Payment Practice Code performance of 91.3%, which includes performance of 93.9% for Non NHS suppliers.

We spent £41.6m on capital schemes during the year on a range of projects including:

- 2 New Theatres, replacing 2 Day Case Theatres and a Paediatric Hub
- Community Diagnostic Centre
- Laboratory Information Management System
- Front Line Digitalisation
- Electronic Patient Record
- Electrical infrastructure.
- Upgrade of Pathology Labs
- Robotic Process Automation
- Replace all Defibrillators

Despite the achievement of a small in year deficit, we still have a significant underlying deficit moving into the next financial year. This is because of the significant effect of one-off income and savings in during 2022/23. We also 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 2023/24 and the on-going challenges created by the COVID-19 pandemic.

2.7. Equality of Service Delivery

As a Trust we remain committed to ensuring diversity is championed and celebrated across our organisation. We are passionate in supporting and nurturing diverse talent, reducing health inequalities for our communities, and providing high quality care for patients, their families and carers. Our vision is to create an inclusive culture by caring for our staff, to ensure they have the support in place to provide personal, safe, and fair health and care services for our patients

A consciously inclusive approach is in place to embed equality, diversity, and inclusion in all our practices, systems and processes. This is to intentionally involve and empower those that have observed and experienced discrimination, to redesign systems and reinforcing our commitment to zero tolerance approach to bullying, harassment and discrimination and harassment towards people based on their 'protected characteristics'.

The Equality, Diversity and Inclusion (EDI) plan articulates the Trust's EDI ambitions, vision and key areas of focus for the next four years, whilst the Annual Equality Monitoring report provides a detailed review of the actions taken and our future plans to eliminate discrimination and promote equality of opportunity. Our ambitions are as follows:

1. Understand the needs of our community and provide services which meet those needs
2. Create a working environment in which all staff can reach their full potential
3. Recruit and cultivate a workforce that represents Bolton's diversity
4. Act on patient, staff, and community feedback on how we can improve our approach to EDI

The following are some examples of activities we have put in place to achieve these ambitions over the past year:

- Set up six equality and inclusion staff networks including disability and health conditions staff network and, LGBTQ+ staff network.
- Strengthening partnerships with external organisations via the community voices partnership forum, which provides insights into our performance and problem solving to better meet the needs of race and cultural groups, in the first instance.
- Increased staff learning opportunities to better respond to the needs of our diverse communities and deliver improved services with input from external organisations.
- Implementing our inclusive recruitment framework with a focus on ensuring policies and procedures are updated to support diverse talent to progress, improving where job roles are advertised, working closely with local communities and the inclusion staff networks to provide support to colleagues applying for roles.
- We continue to promote staff wellbeing initiatives including access to counselling, staff physiotherapy service, Shinymind app, Vivup etc.

The Trust has a clear roadmap for making our vision for an improved future for patients and staff a reality.

2.8. Risk Management

The Board of Directors has ultimate responsibility for the effective risk management of the Trust's Strategic Ambitions. This is supported by an established risk management process to identify the principal risks against achieving each of the Ambitions. The Risk Management Process relies on judgment 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 the Trust's Ambitions and ensures appropriate mitigating actions are in place and implemented.

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 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 88 of this report.

2.9. Principal Risks faced and impact

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

Table 2 below sets out the Trust's Ambitions and the principal risks to achieving these. They do not comprise all of the risks associated with the Trust and are not set out in priority order.

Performance Overview

Ambition	Principal Risk
Ambition 1: To give every person the best treatment, every time	**Principal Risk 1.1:** If the Trust does not give the best care every time, then this may result in increased mortality in hospital and in the 30 days following discharge
	Principal Risk 1.2: If the Trust does not deliver reliable compliance of the operational standards, then this may result in regulatory action.
	Principal Risk 1.3: If the Trust does not deliver reliable compliance with regulatory quality standards, then this will result in sub-optimal outcomes.
Ambition 2: To be a great place to work	**Principal Risk 2**: If the Trust is not a great place to work then it will be unable to recruit, retain and support people to maximise their potential.
Ambition 3: To spend our money wisely	**Principal Risk 3:** If the Trust does not use its resources effectively, and operate within agreed financial limits, this may impact the sustainability and quality of services.
Ambition 4: To make our hospital and our buildings fit for the future	**Principal Risk 4:** If the Trust does not sufficient capital resource to deliver a building fit for the future, then this will impact the investment in a sustainable estate
Ambition 5: To join-up services to improve the health of the people of Bolton	**Principal Risk 5:** If the Trust fails to integrate care, opportunities to improve the health and wellbeing of the population of Bolton will be missed.
Ambition 6: To develop partnerships across Greater Manchester to improve services	**Principal Risk 6**: If the Trust fails to develop partnerships that support the achievement of our strategic ambitions, then this could result in a negative impact to the services we provide, our infrastructure and our financial position

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 have made significant progress against some of our key objectives; despite the impact of the pandemic still being felt in many of our services.

2022-23 has been an important year for the organisation from a strategic perspective with work beginning on our new Clinical Strategy which will be published in 2023. Clinical teams from across the organisation came together to plan for a healthier future for the people of Bolton. We have worked closely with our locality colleagues to begin to address the long-standing health inequalities experienced by our population, and to build a healthier, more prosperous future for the people of Bolton.

Alongside this, we began work to review and refresh our Trust Strategy. Our Strategy was published in 2019, and comes to an end 2024 and, with such considerable change in the healthcare landscape, the time was right to review our ambitions and objectives. This work will culminate in the publication of a new Trust Strategy later in 2023.

2.11. Our Ambitions

Ambition 1
Provide safe, high quality care

The NHS Patient Safety Strategy defines patient safety as*: 'maximising the things that go right and minimising the things that go wrong for people experiencing healthcare'* and this remains the cornerstone of our strategic vision. This year, we continued to focus on providing the best care for our patients and our wider population, recovering our services from the impacts of the pandemic, and planning for the future.

A significant target for us was to treat all patients who had been waiting two years for planned care, and at the end of the financial year, we had only three patients waiting for treatment, all of whom have now received the care they need. As well as our work on elective care, considerable work has been undertaken in our urgent and emergency care. We also co-located our community health and care teams in our districts to provide seamless care and even installed our new pharmacy robot.

Work has been underway to develop our Clinical Strategy, with all of our clinical services engaged in the development of our vision for the future and how we will meet the changing needs of our population. Our Clinical Strategy will be published in 2023, and work will begin on implementing and delivering on its recommendations.

Ambition 2
To be a great place to work

Our people are our greatest asset. Their dedication, talent, knowledge and experience are at the heart of everything we do.

We strive for a positive culture of personal responsibility, openness and transparency in line with our Trust values, and this year, we have published our People and Equality, Diversity and Inclusion Plans to bring those values to life in everything we do. We have continued to empower staff to be innovative and creative in the improvement of services, and to take responsibility for their professional development.

To deliver the best patient care, we need to retain, develop and attract outstanding people. This means continuing to create an inclusive environment where staff are engaged, resilient, motivated and can develop to reach their full potential.

Ambition 3
To use our resources wisely

The NHS financial landscape remains challenged post-pandemic, and there is a national focus on driving efficiencies and reducing costs. The challenge in 2023-24 will be significant, but in Bolton, our approach has always been to act as careful stewards of public money and make sound investments in our services. We know that our drive towards greater integration will support us on this journey.

During 2022-23, we were successful in securing capital funding for a number of major infrastructure developments that are described in the next chapter. This has enabled us to make strides to improve our estate and enhance our capacity to provide diagnostic and elective care for the people of Bolton and Greater Manchester, but we know that the challenge to improve our estate and infrastructure will be significant.

Alongside this, we have continued to focus on opportunities to do things differently, seeking to increase operational productivity, and to improve our use of technology to make care more accessible.

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

The size and potential of the Trust's collective estate is significant, and its development will be key for our sustainability as we move forward.

When we reflect on Bolton's progress towards its ambition to make its estate fit for the future, one word stands out: tenacity. In 2022-23, we have:

- Bid for national funding for a new Community Diagnostics Centre (CDC) and additional theatres
- Been part of a bid for Levelling Up funding and broken ground on Bolton College of Medical Sciences
- Submitted a strategic outline case for investment in a new building as part of the Government's New Hospital Programme (NHP)

Through *Our Bolton NHS Charity,* we have invested in the wellbeing of our staff and service users by making improvements to staff rest facilities and by expanding and

improving our faith facilities, which provide a place for staff, service users and their families to look after their spiritual wellbeing.

As we look forward to 2023-24, we will begin development of an Estates Plan that will respond to the priorities outlined in our Clinical Strategy and inform our future estates requirements.

Ambition 5
To integrate care

As our population grows and people live longer, the demand for health, social care and voluntary services will continue to rise

We know that we need to continue to improve the way that services are provided, organised and delivered across the health and social care sector, to ensure that we provide people with the right support at the right time, and to help them live well for longer. The people who have frequent contact with services across the health and care system tell us that it can be confusing, difficult to navigate, and often requires them to tell their stories repeatedly

By joining up services, we have the potential to improve outcomes, transform service-user experience and improve efficiency within the health and care system. Integration has the potential to improve patient outcomes and reduce costs by creating the architecture to enable people to access coordinated, seamless service across multiple providers and settings. The Bolton Locality has been working towards integration for many years, and the appointment of our CEO, Fiona Noden, as Bolton's Place-Based Lead for health and care integration was a significant step towards closer partnership-working for the benefit of the Bolton population.

Integration is not just happening at the Locality-level. We are working with our partners across Greater Manchester more closely than ever before to make it easier for our population to access services. The Greater Manchester Integrated Care Partnership published its strategy earlier this year, which describes a 'social model for health' that seeks to address the wider determinants of health to deliver a long-term improvement in population health and outcomes.

Ambition 6
To develop partnerships

In our 2020 Strategy review, we noted that '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.'

This ambition is no longer just about the delivery of our vision for our services: it stretches for beyond that. We know that the people of Bolton and Greater Manchester depend on their anchor organisations to work together to improve outcomes over the

long term, creating the economic and social conditions to address the wider determinants of health.

The COVID-19 pandemic created the conditions for partnership-working and collaboration across the Greater Manchester system in a way that would never have happened before. Acute, community and independent sector providers stood side-by-side in adversity, sharing their capacity for the benefit of our population. No longer single, independent organisations with separate visions, but partners with a shared mission. It is on these foundations that we step up to the challenge of long-term transformation for the benefit of our population.

2.12 Our new Strategy

Work has begun on our new Corporate Strategy which will describe a refreshed vision for the future, with one key difference from our previous Strategy: it will be clearly focused on outcomes. Positive health outcomes are what we are all here to achieve, and our new Strategy will set clear outcomes based on research, evidence and engagement. If we get those outcomes right and we work together to achieve them, we will start to feel a new kind of progress in our organisation. In our 2022 strategy engagement sessions, there was a common and profound reflection about the pandemic: everyone commented on how much we can achieve when we each understand the goal, know our role in making it a reality, and when we work together to achieve it.

We have an opportunity to make that learning a part of our every-day experience and to create a healthier future for our population. If there is one thing we can say with certainty, it's that Bolton's motto *Supera Moras* or 'Overcoming Difficulties' is exactly what we do, and there is no better team than Team Bolton to take on this challenge.

3. ACCOUNTABILITY REPORT

3.1. Directors' report

Bolton NHS Foundation Trust operates according to the highest corporate governance standards. The Board of Directors' is a Unitary Board with a wide range of skills and experience. The Board is balanced and complete in its composition, and appropriate to the requirements of the Trust. The Non-Executive Directors have wide-ranging expertise and experience, including backgrounds in commercial, local government, finance, and primary care.

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 2022/23.

Fiona Noden

Chief Executive

03 July 2023

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 Ambitions, 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 and 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 Nomination and Remuneration Committee

Appointed April 2019

(Resigned 31 March 2023)

Fiona Noden

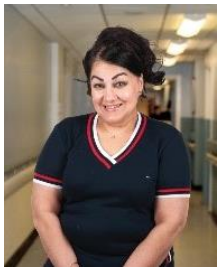
Chief Executive

Appointed Chief Executive in April 2020

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

Non-Executive Directors

Zada Ali Shah



Appointed Jan 2022

(Resigned 31 March 2023)

Committee Membership

- Charitable Funds Committee
- Nomination and Remuneration Committee

Malcolm Brown

Appointed Sep 18

Chair of Quality Assurance Committee

Committee Membership

- Audit Committee
- People Committee
- Nomination and Remuneration Committee

Rebecca Ganz

Appointed January 2020

Chair of Strategy and Operations Committee

Committee Membership

- Finance and Investment Committee
- Nomination and Remuneration Committee

Bilkis Ismail

Appointed September 2017

Chair of People Committee

Senior Independent Director (SID)

Committee Membership

- Finance and Investment Committee
- Nomination and Remuneration Committee
- Charitable Funds 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

Chair of Charitable Funds Committee

Committee Membership

- Audit Committee
- People Committee
- Strategy and Operations Committee

Nomination and Remuneration Committee

Alan Stuttard

Appointed Jan 2019

Chair of Audit Committee

Committee Membership

- People Committee
- Strategy and Operations 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

Sharon joined the Trust in February 2022.

James Mawrey

Deputy Chief Executive / Director of People

James joined the Trust in Feb 2018 and commenced in post as Deputy Chief Executive in January 2022.

Tyrone Roberts

Chief Nurse

Tyrone joined the Trust in April 2022.

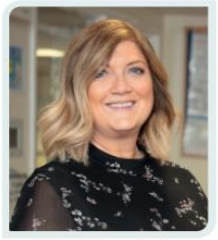
Annette Walker Chief Finance Officer *Annette joined the Trust in 2017.*		**Rae Wheatcroft** Chief Operating Officer *Rae was appointed COO in January 2022.*	
Sharon White Director of Strategy, Digital, and Transformation *Sharon joined the Trust in 2018.*			

Table 3

3.4 Changes to our Board

There were no changes to the Board of Directors during 2022/23. Our Chair Donna Hall and Zada Ali Shah resigned from the Trust on 31 March 2023.

The Trust wishes to formally thank Donna Hall for her leadership throughout the last four years and particularly during the Covid19 pandemic.

3.5 New Chair Appointment

Dr Niruban Ratnarajah was appointed Trust Chair in June 2023 for a period of 3years. He was previously the Chairman and Clinical Lead of the former NHS Bolton Clinical Commissioning Group.

Dr Ratnarajah has been working to address health inequalities within Bolton and is passionate about improving the diversity of decision makers in Bolton. He will use his extensive experience of general practice to drive forward the collaborative work underway in Bolton to enhance the care provided to local people.

3.6 Board of Director's Meetings

The Board of Directors held seven meetings in public during 2022/23 which were all quorate. The formal public Board meetings are held on a bi-monthly basis whilst the informal meetings include Board Strategy and Development Sessions.

The agenda and meeting packs for all Board of Director's meetings 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.

Accountability Report: (a) Directors' Report

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.

The table below provides a summary of attendance at all formal meetings of the Board.

Attendance at Board of Director meetings 2022/23				
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	4	7	57%
Francis Andrews	Medical Director	7	7	100%
Malcolm Brown	Non-Executive Director	6	7	86%
Rebecca Ganz	Non-Executive Director	7	7	100%
Bilkis Ismail	Non-Executive Director	6	7	86%
Sharon Katema	Director of Corporate Governance	7	7	100%
James Mawrey	Director of People	6	7	86%
Tyrone Roberts	Chief Nurse	5	7	71%
Jackie Njoroge	Non-Executive Director	7	7	100%
Martin North	Non-Executive Director	7	7	100%
Alan Stuttard	Non-Executive Director	7	7	100%
Annette Walker	Director of Finance	7	7	100%
Rae Wheatcroft	Chief Operating Officer	7	7	100%
Sharon White	Director of Strategy, Digital and Transformation	7	7	100%

Table 4

Table 5 below provides and overview of attendance at all Board Committee Meetings.

Attendance at Committee Meetings 2022/23							
Name	Role	Audit Committee	Charitable Funds Committee	Finance & Investment Committee	People Committee	Quality Assurance Committee	Strategy & Operations Committee
Donna Hall	Chair				1/1	4/4	
Fiona Noden	Chief Executive			6/10	9/11	6/12	
Zada Ali Shah	Non-Executive Director		1/3		2/2	4/5	
Francis Andrews	Medical Director		2/4			8/12	4/7
Malcolm Brown	Non-Executive Director	5/5			5/11	9/12	
Rebecca Ganz	Non-Executive Director			10/10			7/7
Bilkis Ismail	Non-Executive Director	1/1	1/1	8/10	8/11		
Sharon Katema	Director of Corporate Governance	5/5	3/4	9/10	8/11		7/7
Sharon White	Director of Strategy, Digital and Transformation		4/4	4/4	8/11		6/7
James Mawrey	Director of People			5/10	11/11		3/7
Jackie Njoroge	Non-Executive Director			10/10		10/12	
Martin North	Non-Executive Director	4/5	3/4			7/7	6/7
Tyrone Roberts	Chief Nurse				8/11	9/12	3/7
Alan Stuttard	Non-Executive Director	4/5	4/4		10/11		7/7
Annette Walker	Chief Finance Officer	5/5	3/4	10/10			
Rae Wheatcroft	Chief Operating Officer			9/10		11/12	7/7

Table 5

4 DISCLOSURES

4.1 Statement of register of interests

All Directors have a responsibility to declare relevant interests as defined within the Trust's 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 and is also published as part of the Trust-wide Register of Interests on the dedicated declarations platform. 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 as of 31 March 2023, including Company Directorships are set out in **Table 6** 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

Name:	Position:	Interest Declared	Type of Interest
Prof. Donna Hall	Chair	Honorary Professor University of Manchester	Non-Financial Professional Interest
		Donna Hall Consulting Ltd	Financial Interest
		Chair New Local (not remunerated position)	Non-Financial Professional Interest
		System Advisor NHS England	Financial Interest
		Board Member Carnall Farrarr (from 01.04.2020)	Financial Interest
		Chair PossAbilities learning disability social enterprise	Financial Interest
		CIPFA C Co Ltd (previously CIPFA NEWCO Limited	Financial Interest
		Family member employed by the Trust	Loyalty Interest
Francis Andrews	Medical Director	Holt Doctors (locum agency) payments for appraisals	Financial Interest
		Chair of Prescot Endowed School Eccleston (Endowment charity)	Non-Financial Personal Interest

Name:	Position:	Interest Declared	Type of Interest
Malcolm Brown	Non-Executive Director	Family member employed by Trust	Loyalty Interest
Lynn Donkin	*Partnership Member	Director of Public Health, Bolton City Council	Financial Interest
Rebecca Ganz	Non-Executive Director	Growth Catalyzers Ltd Director/Owner	Financial Interest
		Leodis Multi Academy Trust Trustee and NED	Financial Interest
		BlueSkeye AI Ltd - NED	Financial Interest
Bilkis Ismail	Non-Executive Director	Director/shareholder of Bornite Legal Limited and Bornite Holdings Limited	Financial Interest
		Director of Azurite Holdings Limited	Financial Interest
		Governor Bolton Sixth Form College	Non-Financial Personal Interest
Sharon Katema	*Director of Corporate Governance	Nothing to declare	
Naomi Ledwith	*Partnership Member	Delivery Director, NHS GM ICS Bolton Locality	Financial Interest
		Trustee at The Counselling and Family Centre	Non-Financial Professional Interest
		Family member employed by Aqua (until 31/03/23)	Non-Financial Personal Interest
James Mawrey	Chief People Officer and Deputy CEO	Trustee at Stammer	Non-Financial Personal Interest
Fiona Noden	Chief Executive	Trustee Bolton Community and Voluntary Services	Non-Financial Professional Interest
		Trustee Bolton Octagon	Non-Financial Personal Interest
		The Foundation Trust Network (Trustee NHS Providers	Non-Financial Professional Interest
Jackie Njoroge	Non-Executive Director	Director – Salford University	Financial Interest
		Deputy Chair HESPA (non-remunerated position)	Non-Financial Professional Interest
		Director MIRL Group Ltd	Financial Interest

Name:	Position:	Interest Declared	Type of Interest
Martin North	Non-Executive Director	Company Secretary Aspire POD Ltd	Financial Interest
Niruban Ratnarajah	*Partnership Member	GP Partner: Stonehill Medical Centre	Financial Interest
		Associate Medical Director: NHS GMIC	Financial Interest
		Director: Ratnarajah Medical Services Limited (also T/A Extracellular, Private GP and Lifestyle Medicine)	Financial Interest
Tyrone Roberts	Chief Nurse	Nothing to declare	
Zada Ali Shah	Non-Executive Director	CO of Equalities & Justice NW	Financial Interest
		HR director/Consultant Inclusive HR Solutions	Financial Interest
		Trustee Homestart Chorley	Non-Financial Professional Interest
		ED&I Grant Advisor Lord Shuttleworth Benevolent Fund	Financial Interest
		Associate Hospital Manager LSCF NHS Trust	Financial Interest
		EDI Football Advisor Lancashire Football Club	Non-Financial Professional Interest
		National Board Advisor for race discrimination for (Independent Office of Police Conduct(IOPC)	Non-Financial Professional Interest
		Coaching Bank for Academic Health and Social Care Network hosted by Liverpool Heart and Chest Hospital	Financial Interest
Alan Stuttard	Non-Executive Director	Chair – Atlas BFH Management Ltd (wholly owned subsidiary of Blackpool NHS FT)	Financial Interest
		NED Blackpool Operating Company Ltd (Blackpool Sandcastle Waterpark)	Financial Interest
		Non-Executive Director - Blackpool Waste Services Ltd (trading as Enveco)	Financial Interest
Rachel Tanner	*Partnership Member	Director of Adult Social Care, Bolton City Council	Financial Interest
		Managing Director, Integrated Care Partnership	Financial Interest
Annette Walker	Chief Finance Officer	Joint Chief Finance Officer for Bolton NHS FT and NHS GM ICS Bolton Locality	Financial Interest
		BOLTON FUNDCO 1 LIMITED	Non-Financial Professional Interest

Name:	Position:	Interest Declared	Type of Interest
		BOLTON HOLDCO LIMITED	Non-Financial Professional Interest
		BRAHM FundCo 2 Limited	Non-Financial Professional Interest
		BRAHM FUNDCO 1 LIMITED	Non-Financial Professional Interest
		BRAHM INTERMEDIATE HOLDCO 1 LIMITED	Non-Financial Professional Interest
		BRAHM Intermediate Holdco 2 limited	Non-Financial Professional Interest
		BRAHM LIFT LIMITED	Non-Financial Professional Interest
Rae Wheatcroft	Chief Operating Officer	Nothing to declare	
Sharon White	Director of Strategy	Trustee at Fort Alice Bolton	Non-Financial Professional Interest
		Trustee George House Trust	Non-Financial Professional Interest
		Judge on Inspire Awards	Non-Financial Professional Interest
		Board Member of Bolton College	Non-Financial Professional Interest

**Indicates non-voting member*

Table 6

4.2 Independence of directors

All 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 appoint or reappoint Non-Executive Directors and is supported in its consideration by the recommendations it receives from the Nomination and Remuneration Committee. Any recommendation to appoint or 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 can 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 47 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 Directors are 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 2022/23.

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 2022/23 and 2021/22.

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

	21/22	22/23	NHS	Non-NHS
Target to be paid (%)	95	95		
No of invoices (%)	86.1	87.6	68.0	88.1
Value of invoices (%)	88.8	91.3	70.4	93.9

	Year ended 31 March 2023		Year ended 31 March 2022	
	Number	£'000	Number	£'000
Total non-NHS trade invoices paid within the target	69,356	216,322	65,078	169,973
Total non-NHS trade invoices paid in the period	78,723	230,437	75,357	187,043
Percentage of non-NHS trade invoices paid within the target	88.10%	93.87%	86.36%	90.87%
Total NHS trade invoices paid within the target	1,258	20,288	1,249	18,499

	Year ended 31 March 2023		Year ended 31 March 2022	
Total NHS trade invoices paid in the period	1,850	28,834	1,687	25,202
Percentage of NHS trade invoices paid within the target	68.00%	70.36%	74.04%	73.40%

Table 7

4.10 Providing Well Led Services

The Trust has continued to review its governance arrangements in light of the changes to the Board and learning from adjustments made in response to the pandemic. 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, and the external Well Led review, undertaken by Deloitte LLP.

At the time of writing, the CQC is currently undertaking a Well Led Inspection which is expected to continue for a few weeks. The full report, once published, will be uploaded on the Trust website and findings will be included in the next Annual Report.

Further information on the governance structure and the systems of internal control that support the organisation can be found in our Annual Governance Statement which is included on page 88.

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, academic, 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, the strong partnerships with system partners including Bolton Council, GMICP, other providers and the voluntary sector, have been bolstered by the introduction of the Locality Board.

Consultation with local groups and organisations

We are members of the Bolton Locality 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 virtual 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 2022 NHS EPRR Core Standards self-assessment against 64 criteria, the Trust was fully compliant with 60 and partially compliant with 4, giving and overall assurance rating of Substantial (94%).

EPRR Focus for 2022:

The main focus for 2022 was to ensure all necessary EPRR response plans were reviewed, updated and re-established in line with best practice. In addition, following debriefs from a number of incidents responded to by the Trust it was agreed to increase the numbers of trained Loggists within divisions using the UKHSA Loggist training to ensure accurate documentation when responding to incidents.

Testing, Training and Exercising:

Following review of EPRR plans, formal testing, training and exercising was undertaken: Fire evacuation sessions were completed for Critical Care Ward, Neo Natal Unit, Ward E5, and Clinical Decisions Unit. Live simulation evacuation exercises were also delivered in main Theatre and H Block Ophthalmic theatre, which also undertook a live electrical outage simulation in readiness for the production of a specific Business Continuity plan.

Major incident training was delivered to Emergency Department clinical and reception staff, F3 receiving ward staff and site managers. Business continuity testing and training workshops were delivered to assist with the development of departmental plans.

Formal in-house EPRR training sessions have continued for Senior Managers who will join the on-call rota. In addition, all "Health Commanders" which includes Trust on call managers are now required to attend NHS England "Principles of Health Command" EPRR Training. The trust also engaged with GM Wide exercises "Clayton" and "Toucan" Major Incident communication exercises and "Boreas" assessing the Trust's preparedness for winter.

A live Chemical Incident (CBRN) exercise to stress test the Emergency Department response to self-presenting patients from a chemical incident was planned and delivered. Exercise "Northern Grit" involved the unannounced presentation of 20 volunteers with signs and symptoms of chemical contamination. This exercise fulfilled the trust requirement to complete a live exercise every 3 years as per the NHS England EPRR Framework**.**

Live Incident Response 2022:

Across the year the Trust also responded to a number of live Business Continuity and Critical Incidents testing the activation of plans and individuals from Divisions and on call teams.

18-Feb-22	Live Partial Lockdown / Suspicious Package
06-May-22	Live Lockdown / Threat Response
25 May 22	Live CBRN Incident Response
25-Aug-22	BC Response Live bleep system outage
22-Oct-22	Critical Incident Declaration Response / Patient Flow
18-Nov-22	Critical Incident Response Flood Central Delivery Suite
21-Dec-22	Command and Control Activation NWAS Industrial Action

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

The Trust is pleased to present the remuneration report for 2022/23. The Chair of the Board of Directors is also the chair of 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 and does not have formally delegated powers**.**

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

Dr Niruban Ratnarajah

Trust Chair

03 July 2023

5.2 Remuneration and Nomination Committee

The Remuneration and Nomination 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 the Trust Chair.

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 Remuneration Committee met twice during the reporting period to consider the remuneration for Executive Directors, VSM salary uplift as well as the appointment of a new Director of Corporate Governance.

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 all meetings were recorded by the Director of Corporate Governance with the exception of the item where there was a direct conflict, these were recorded by Corporate Governance Manager.

Attendance is shown in the table below.

Nomination and Remuneration Committee Attendance		
Donna Hall (Chair)	Chair	2/2
Fiona Noden	Chief Executive	2/2
Zada Ali Shah	Non-Executive Director	2/2
Malcolm Brown	Non-Executive Director	2/2
Jackie Njoroge	Non-Executive Director	1/2
Rebecca Ganz	Non-Executive Director	2/2
Bilkis Ismail	Non-Executive Director	2/2
Martin North	Non-Executive Director	2/2
Alan Stuttard	Non-Executive Director	2/2

Table 8

5.3 Executive Remuneration

In all debates and discussions pertaining to salaries for senior managers the Remuneration and Nomination Committee have ensured that the policies applied reflect those applicable to our staff on Agenda for Change (AfC) 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 was convened during 2022/23 to consider the appointment of the Chair. The Committee has no delegated authority and acts in an advisory and supporting capacity for the full Council of Governors.

The Nomination and Remuneration Committee was supported by Hunter Healthcare, an external special recruitment agency during the recruitment of the Chair. There was open recruitment with advertisement posted on our website and our social media platforms and the NHS England NED and Chair Appointment website.

In accordance with the Trust Constitution which requires all such decisions to be taken by the full Council of Governors, all discussions pertaining to the Chair and NED appointments, were undertaken during Council of Governor meetings.

The Council of Governors:

- Received the outcomes of NED appraisals for 2022.
- Reappointed Rebecca Ganz for a second term as a non-executive director.
- Appointed Dr Niruban Ratnarajah as Chair of the Trust.

5.5 Performance Evaluation

The Chair reviewed the performance of the Chief Executive and each of the Non-Executives through the Trust appraisal process.

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

Within iFM Bolton, the Chief Finance Officer reviews the performance of the Managing Director who in turn reviews the performance of the senior team. The performance of the Chief Finance Officer is reviewed by the Chief Executive.

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 discussed the NED remuneration in June 2022 and agreed to bring the salary in line with NHS England's recommended.

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. *T*he table below sets

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

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

Table 9

5.12 Expenses paid to governors and directors

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

	Directors		Governors	
	21/22	22/23	21/22	22/23
Total number of Directors/Governors in office	19	16	34	34
Number of Directors/Governors receiving expenses	4	7	1	0
Aggregate sum of expenses	£446.77	£1,685.85	£5	£0

Table 10

5.13 Remuneration

The tables below, **Table 11 and Table 12,** 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

03 July 2023.

Salary and pension entitlements of senior managers

Name	Post	Contract End Date	2022/23							2021/22						
			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)
Annette Walker	Director of Finance		155 - 160				0 - 2.5		160 - 165	145 - 150				70 - 72.5		220 - 225
Francis Andrews	Medical Director		200 - 205				0 - 2.5		200 - 205	195 - 200				55 - 57.5		250 - 255
Fiona Noden	Chief Executive		190 - 195				2.5 - 5		190 - 195	185 - 190				187.5 - 190		375 - 380
James Mawrey	Workforce Director		140 - 145	900			0 - 2.5		145 - 150	135 - 140				65 - 67.5		200 - 205
Rae Wheatcroft	Chief Operating Officer		130 - 135	200			12.5 - 15		145 - 150	30 - 35				110 - 112.5		140 - 145
Sharon Martin	Director of Strategy		135 - 140				0 - 2.5		135 - 140	120 - 125				70 - 72.5		190 - 195
Sharon Katema	Director of Corporate Governance		30 - 35	400			25 - 27.5		60 - 65							
Tyrone Roberts	Director of Nursing		125 - 130	1,100			17.5 - 20		145 - 150							
Alan Stuttard	Non-Executive Director		15 - 20				-		15 - 20	10 - 15				-		10 - 15
Bilkis Ismail	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Donna Hall	Trust Chair		60 - 65				-		60 - 65	60 - 65				-		60 - 65
Jackie Njoroge	Non-Executive Director		15 - 20				-		10 - 15	10 - 15				-		10 - 15
Malcolm Brown	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15
Martin North	Non-Executive Director		10 - 15				-		10 - 15	10 - 15				-		10 - 15

Name	Post	Contract End Date	2022/23							2021/22						
			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)
Rebecca Ganz	Non-Executive Director		10 - 15				-		10 - 15	15 - 20				-		15 - 20
Zed Ali	Non-Executive Director		35 - 40				-		35 - 40	0 - 5				-		0 - 5

Table 11

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 2023	Total accrued pension at pension age at 31 March 2023	Lump sum at age 60 related to accrued pension at 31 Mar 23	Cash Equivalent Transfer Value at 1 April 2022	Real Increase in Cash Equivalent Transfer Value funded by Employer	Cash Equivalent Transfer Value at 31 March 2023	Employers Contribution to Stakeholder Pension
				(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	
Fiona Noden	01/04/2020		365	2.5 - 5	0 - 2.5	85 - 90	190 - 195	1,706	68	1,854	
Annette Walker	17/07/2017		365	2.5 - 5	2.5 - 5	60 - 65	125 - 130	1,028	71	1,153	
James Mawrey	05/02/2018		365	0	0	0	0	603	0	679	
Sharon Martin	03/09/2018		365	2.5 - 5	5 - 7.5	55 - 60	120 - 125	975	78	1,103	
Francis Andrews	13/80/2018		365	2.5 - 5	0 - 2.5	70 - 75	145 - 150	1,363	57	1,484	
Rae Wheatcroft	01/01/2022		365	5 - 7.5	10 - 12.5	55 - 60	120 - 125	903	114	1,064	
Tyrone Roberts	18/04/2022		348	5 - 7.5	7.5 - 10	40 - 45	70 - 75	522	71	633	
Sharon Katema	01/12/2022		121	0 - 2.5	0 - 2.5	0 - 5	0 - 5	30	1	50	

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.
Cash Equivalent Transfer Value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

Table 12

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 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.

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 2022/2023.

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. The appraisal target is improving following a drop 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 **Vision Openness Integrity Compassion Excellence** (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 in their bid to recover from the impact of the pandemic and have gone above and beyond for the people of Bolton.

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 impact on staff health and wellbeing continued to be immense and we know from listening to colleagues that they continue to feel fatigued and overwhelmed and some struggle to switch off when they finish work. We have significantly stepped up our efforts to enhance our staff wellness offer throughout this time and create a culture that promotes self-care through initiatives such as Menopause, Mental Health First Aid Training and support with OD interventions for teams.

The Trust's wellbeing review action plan was developed to focus on getting the basic right first with the wellbeing offer and we are already starting to see some positive results and progress. Key achievements include our work around cost of living and breakfast packs which hit the local news and across the whole wellbeing offer, we have seen an increase in usage (13% to 39%).

The wellbeing action plan has enabled the Staff Experience Team to make some great progress with priority initiatives and projects aimed at improving overall staff health and wellbeing. We are already seeing some good progress and the key activity that the wellbeing action plan has delivered for the Trust are set out below.

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

- **Rest Facilities** - Priority areas have been identified to support with ensuring consistency across staff break and rest facilities and the basics being in place.
- **Wellbeing Offer Identity / Brand** – work is underway to develop a new look and feel of the Trust's staff health and wellbeing support which will help to ensure consistency of approach.
- **Wellbeing Offer 'Back to Basics'** – closely connected to the new look and feel of the Trust's staff health and wellbeing offer and are unique to Bolton NHS Foundation Trust.

- **Cost of Living Update** – this has been a priority to ensure that colleagues feel as supported as possible in such difficult and challenging times. Key actions included creating a cost of living staff support kit, 700 individual breakfast packs and online Financial Wellbeing Sessions.
- **Menopause** – a training module was launched on ESR in October 2022 which will be enhanced and the refreshed Menopause Policy and support sessions.
- **Fatigue** – Videos highlighting the importance of sleep and the impact on patient care and a review of the usage of the on-call rooms have been introduced.
- **Wellbeing / OD Plans for Teams** have been introduced in teams including Theatres and the Emergency Department. The Trust now had 32 wellbeing champions who provide support within their areas.
- 80 mental health first aiders now in place with further Making Every Contact Count (MECC) training sessions continuing throughout the year.
- **A Wellbeing Dashboard** which includes data including the Employee Assistance Programme, sickness absence rates and reasons, gym data, TRiM, Menopause and Occupational Health Service is now in place.
- **Catering** – iFM have been making some great progress with the catering offer across the Trust. Members of the Board of Directors and Council of Governors had an opportunity to sample the new menu at the meeting held in March 2023.

The wellbeing review action plan is aligned to our broader activity around retention, ensuring that the Trust continues to be a great place to work. The Trust will continue to invest in colleagues' health and wellbeing to ensure that they can in turn provide the best care for our patients.

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. All Executive Directors are sponsors of the six different Staff Networks and regularly attend network meetings. These now include three newly formed staff networks relating to Age, Gender and Social Background.

The BAME Staff Network continues to play an active role in contributing to achieving an inclusive organisational culture. 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.

The Disabilities and Health Conditions and LGBTQ+ Staff Networks have continued to grow and meet monthly. Membership is increasing with 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.

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 Turnover

In 2022/2023 the average monthly leaver head count was 66. This was offset by an average monthly starter head count of 85 due to our concerted efforts with recruitment. The staffing groups with the highest turnover were Allied Health Professionals (15.53%) and Additional Clinical Services (15.40%); however the Trust benchmarks well to other NHS providers when compared to both those, and our other, staffing groups. We are particularly proud of our very low turnover rates in the Medical and Dental staffing group. Turnover at the same period last year was slightly higher at 13.23%.

Further information on our staff turnover is available to download as an interactive spreadsheet from this LINK or paste the below into your browser.

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics/february-2023

6.6 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.

6.7 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 is “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.

6.8 Annual FABB Awards 2022

A huge part of our calendar is our Annual FABB Staff Awards 2022, which were held at the Last Drop Hotel on 7 October.

The FABB Awards provided an opportunity to showcase some of the achievements and the role that our members of staff play in supporting our patients and each other.

We received 604 nominations from staff and members of the public.


Divisional Diamond(s)
of the Year Award

Vision | Openness | Integrity | Compassion | Excellence

And the winners were…

Award	2022 Winner
Dream Team Award	Communications and Engagement Team
Collaboration Award	Discharge Medicines Service Project Team
Compassionate Care Award	Thomas Wilding, Care and Support Practitioner
Diversity & Inclusion Award	Bindhu Devasia, B3 Ward Manager
Innovation Award	Bolton GP Federation, Primary Care Network Team
People's Choice Award	Paul Messer, Medical Photographer
People's Choice – Highly Commended	Simon Crozier, Principal Service Lead Stroke Therapy Integrated Community Service Division
FABB Employee of the Year Award	Phil Henry, Operational Business Manager
Support Service of the Year Award	Business Intelligence
Unsung Hero Award	Beryl Thompson, Volunteer
Unsung Hero – Highly Commended	Nicola Caffrey, Corporate Business Manager to the Medical Director, Corporate Services
Divisional Diamond of the Year Award	Lauren Booth, Specialist Midwife, Family Care Division
Divisional Diamond of the Year Award	Tom Allerton, Principal Service Lead, Urgent Care Therapies, Integrated Community Service Division
Divisional Diamond of the Year Award	Theatres, Day Care and Anaesthetics, ASSD
Divisional Diamond of the Year Award	Blood Transfusion and Haematology Team, DSSD
Divisional Diamond of the Year Award	Jessica Cooke, ECAST Specialist Nurse Coordinator, Corporate Services
Divisional Diamond of the Year Award	Catering Department, iFM Bolton
Divisional Diamond of the Year Award	Mary Macharia, Staff Nurse, AACD

…for a better Bolton awards 2022

6.9 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.

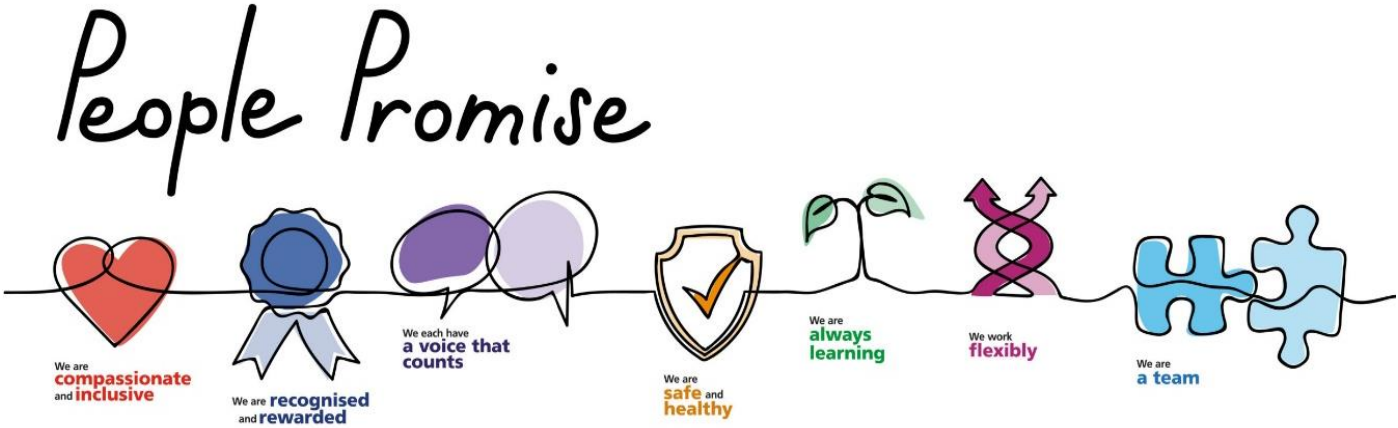
The past year has continued to be a difficult and challenging time for all of our staff and so it has been vitally important that they are able to share their views on what it is like to work at our Trust, and to share their experience, feedback and ideas. The 2022 NHS Staff Survey which was open to the full workforce (excluding bank staff), took place between October to November 2022 and was conducted by the survey administrator, Quality Health.

Overall, there was a decline of 3.2% as 2081 (35.7%) employees completed the survey compared to 2269 (38.9%) employees the previous year. The Trust achieved an overall engagement score of 7.0 which evidences the increased focus on recognising and thanking colleagues, to ensure that employee voice is listened to and action taken as a result and an ethos of great team working across the Trust.

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

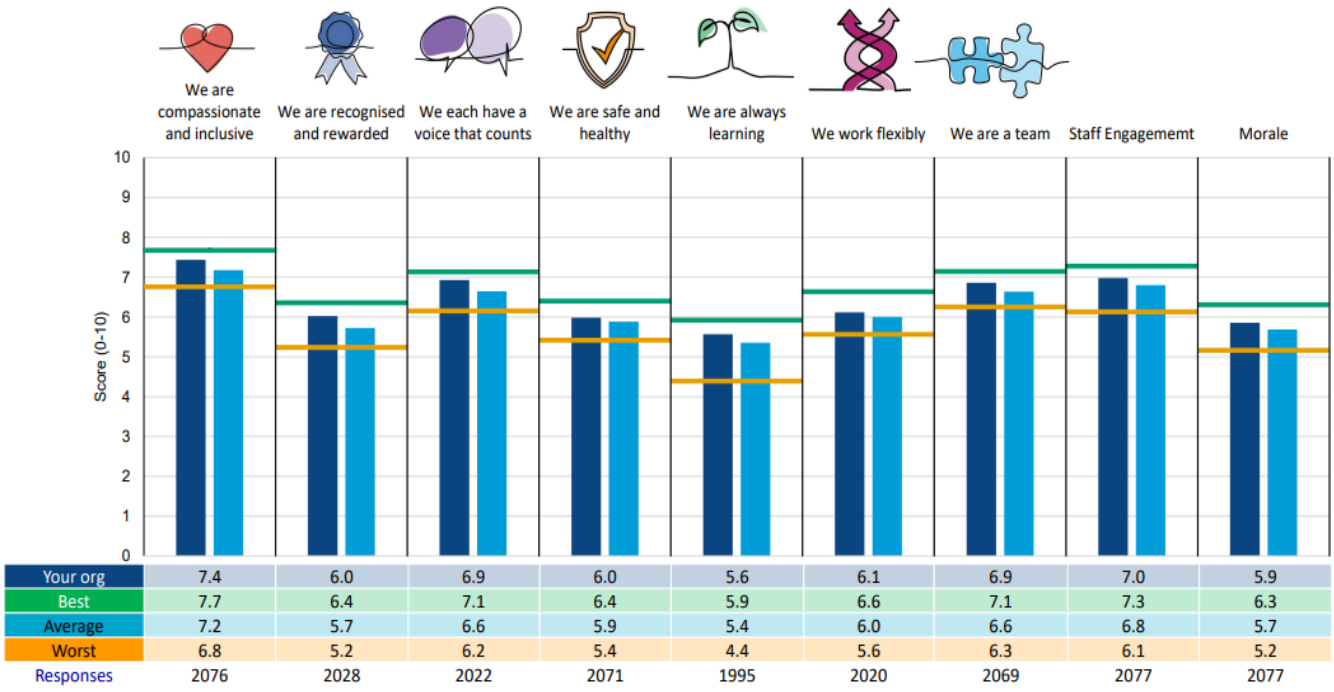
Alignment with the People Promise

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.



Bolton NHS Foundation Trust People Promise elements and themes scores

The 2022 NHS national staff survey results are a great achievement for the Trust as it largely sits in between the best and worst scores and above the benchmarking group average for all of the People Promise elements and themes. This is shown in **Figure 4** below



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagememt	Morale
Your org	7.4	6.0	6.9	6.0	5.6	6.1	6.9	7.0	5.9
Best	7.7	6.4	7.1	6.4	5.9	6.6	7.1	7.3	6.3
Average	7.2	5.7	6.6	5.9	5.4	6.0	6.6	6.8	5.7
Worst	6.8	5.2	6.2	5.4	4.4	5.6	6.3	6.1	5.2
Responses	2076	2028	2022	2071	1995	2020	2069	2077	2077

Figure 4

Overall, looking at the Trust's scores across the NHS Staff Survey Co-ordination Centre benchmarking group, the Trust scored higher than the average scores for the seven People Promise elements and against the two themes of staff engagement and morale as shown in **Figure 5** below

People Promise Element	2022	2022 Benchmarking Group Avg Score	Difference
We are compassionate and inclusive	7.4	7.2	+0.2
We are recognised and rewarded	6.0	5.7	+0.3
We each have a voice that counts	6.9	6.6	+0.3
We are safe and healthy	6.0	5.9	+0.1
We are always learning	5.6	5.4	+0.2
We work flexibly	6.1	6.0	+0.1
We are a team	6.9	6.6	+0.3
Theme	**2022**	**2022 Benchmarking Group Avg Score**	**Difference**
Staff Engagement	7.0	6.8	+0.2
Morale	5.9	5.7	+0.2

Figure 5

Nationally, the Trust is positioned in the top 17% (21 out of 124) of all Acute and Acute & Community Trusts which is slightly down on last year's position of 16 out of 122.

2022 NHS national staff survey elements and theme scores across GM

Within Greater Manchester, it is really positive to see that the Trust achieved the best scores in six out of the nine NHS People Promise elements and themes. **Table 13** below shows the Trust's performance against other NHS Trusts across GM.

Trust	We are compassionate & inclusive	We are recognised & rewarded	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
Bolton FT	7.4	6.0	6.9	6.0	5.6	6.1	6.9	7.0	5.9
Tameside FT	7.2	5.9	6.7	6.0	5.4	6.2	6.7	6.8	5.8
Stockport FT	7.2	5.8	6.7	5.8	5.4	6.1	6.7	6.7	5.7
Northern Care Alliance	7.2	5.7	6.7	5.9	5.2	6.0	6.6	6.7	5.7
Wrightington, Wigan & Leigh FT	7.2	5.8	6.7	6.1	5.1	6.3	6.7	6.9	6.0
Manchester FT	7.0	5.5	6.4	5.8	5.1	5.6	6.4	6.5	5.4
Overall Benchmark Group Score	***7.2***	***5.7***	***6.6***	***5.9***	***5.4***	***6.0***	***6.6***	***6.8***	***5.7***

(Highlighted text = highest scores achieved)

Table 13

The table below shows the two questions that have most improved and the two questions which have most deteriorated when compared to our 2021 results

Theme	Question	2021 % score	2022 % score	Variance
Your Health, Wellbeing and Safety at Work	16c (02) 'On what grounds have you personally experienced discrimination at work – Gender'	31%	21%	↓ 10%
Your Personal Development	21b Regarding Appraisal, annual review, development review, or Knowledge and Skills Framework (KSF) development review – 'It helped me to improve how I do my job'	18%	21%	↑ 3%
Your Job	4c 'My level of pay' (% of staff selecting 'Satisfied' or 'Very Satisfied')	39%	29%	↓ 10%
Your Health, Wellbeing and Safety at Work	16c (01) 'On what grounds have you experienced discrimination – Ethnic background'	31%	39%	↑ 8%

Table 14

The Trust has made some real improvements around staff experience relating to discrimination and an improved score relating to appraisals helping colleagues to improve how they do their jobs which is encouraging to see.

Areas for improvement are staff experiencing discrimination on the grounds of ethnic background and overall colleagues feeling unhappy with their level of pay. A Staff Experience Action Plan has been developed which will be monitored by the Staff Experience Steering Group that reports to the People Committee. This will ensure that the Trust continues to build on its successes, learns where things can be even better and most importantly, take action as a result of staff feedback to ensure that the Trust remains a great place to work.

Key Survey Findings – what our staff survey results are telling us
In summary the top five areas of success and focus from the Trust's 2022 NHS national staff survey results are shown in **Figure 6** below.

Top five areas of success and top five areas of focus

	Top 5 Success:	Top 5 Focus:
1.	Trusted and empowered to do your job (91%)	Recommend as a place for care (62% which is a 6% decrease)
2.	My role makes a real difference (88%)	Experienced discrimination on the grounds of ethnic background (increase of 8% to 39%)
3.	Encouraged to report errors, near misses or incidents (88%)	Satisfied with opportunities to work flexibly (56% - same as 2021 but a 4% decrease from 2020)
4.	Enjoy working with colleagues in my team (83%)	Empowered to make improvements in my area (56% which is a 3% decrease)
5.	Staff Engagement – still best in GM for comparative Trusts (7.0)	Level of Pay satisfaction (down 9% to 31%).

Figure 6

Comparison to the Trust's 2021 results

In summary, the Trust benchmarks well when we compare our theme scores against our national comparator group, for all seven of the People Promise elements and the two themes of Staff Engagement and Morale. We acknowledge that our scores have deteriorated when compared to our 2021 NHS national staff survey results.

The Trust will continue to increase focus in recognising staff through the monthly FABB Awards and staff engagement plans to ensure that employee voice is listened to and action taken as a result.

This can be seen in **Figure 7** below.

People Promise elements	2021 score	2021 respondents	2022 score	2022 respondents	Statistically significant change?
We are compassionate and inclusive	7.5	2189	7.4	2076	Not significant
We are recognised and rewarded	6.2	2117	6.0	2028	Significantly lower
We each have a voice that counts	7.0	2158	6.9	2022	Not significant
We are safe and healthy	6.1	2171	6.0	2071	Not significant
We are always learning	5.5	2106	5.6	1995	Not significant
We work flexibly	6.2	2110	6.1	2020	Not significant
We are a team	6.9	2174	6.9	2069	Not significant
Themes					
Staff Engagement	7.1	2191	7.0	2077	Significantly lower
Morale	6.0	2190	5.9	2077	Significantly lower

Figure 7

6.10 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)	56%	44%
Other senior employees	67%	33%
Employees	85%	15%
Total	**85%**	**15%**

Table 14

6.11 Staff groups by gender 2022/2023

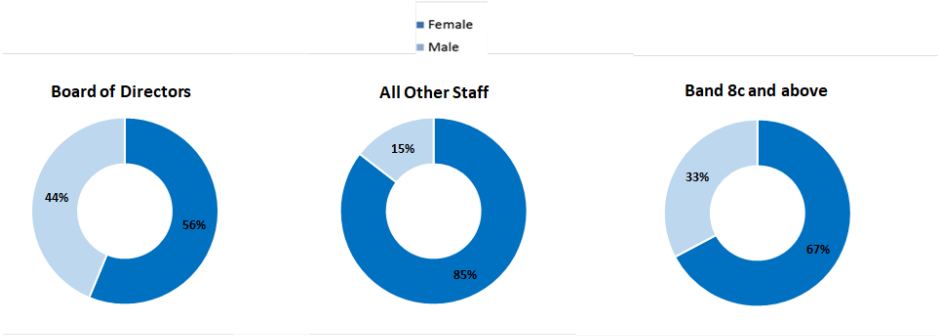


Figure 8

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/)

6.12 Sickness absence data

The Trust 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 2022/23.

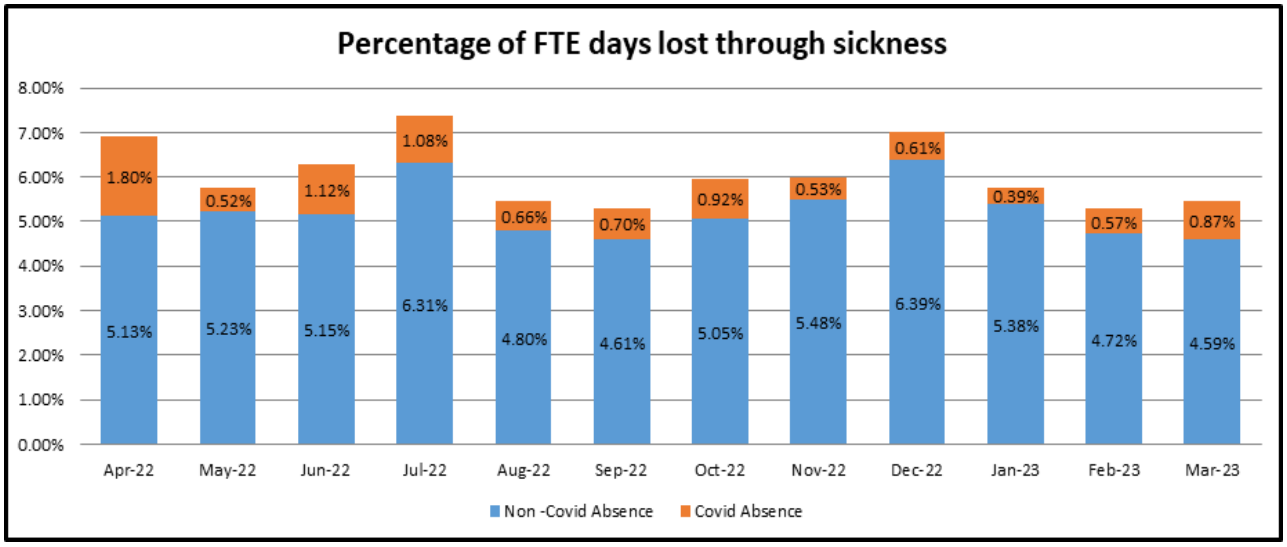


Figure 9

Sickness benchmarking information can be obtained here:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

6.13 Staff costs

			2021/22	2022/23
	Permanent	Other	Total	Total
	£0	£0	£0	
Salaries and wages	206,857	29,678	236,535	259,744
Social security costs	20,721	1,910	22,631	25,610
Apprenticeship levy	1,016	-	1,016	1,175
Employer's contributions to NHS pension scheme	31,901	3,971	35,872	38,407
Termination benefits	185	-	185	190
Temporary staff	-	17,785	17,785	18,857
Total gross staff costs	260,680	53,344	314,024	343,983
Of which				
Costs capitalised as part of assets	772	109	881	1,195

Table 15

6.14 Staff numbers – by professional group (average headcount)

	2021/2022			2022/23		
	Total	Permanent	Other	Total	Permanent	Other
Medical and dental	**606**	568	38	**632**	588	44
Ambulance staff	**0**			**0**	0	0
Administration and estates	**1,477**	1,379	98	**1,514**	1,426	88
Healthcare assistants and other support staff	**1,192**	993	199	**1,204**	1005	199
Nursing, midwifery and health visiting staff	**2,049**	1,816	233	**2,084**	1,873	211
Nursing, midwifery and health visiting learners	**0**			**0**	0	0
Scientific, therapeutic and technical staff	**886**	854	32	**884**	851	33
Healthcare science staff	**0**			**0**	0	0
Social care staff	**0**			**0**	0	0
Other	**0**			**0**	0	0
Total average numbers	**6,210**	**5,610**	**600**	**6,318**	**5,743**	**575**
Of which:						
Number of employees (WTE) engaged on capital projects		**18**	**17**	**22**	**21**	**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 2022/23

Number of employees who were relevant union officials during the relevant period	**18**	*Full-time equivalent employee number*	**14.62**
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	£125,257
1-50%	14	total pay bill	£342,966,000
51%-99%	0	percentage of the total pay bill spent on facility time	0.04%
100%	4		

Table 16

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 2022/23 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 2022/23.

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 2023

No. of existing engagements as of 31 March 2023	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 17

7.10 New off-payroll engagements and those that reached six months in duration between 1 April 2022 and 31 March 2023, 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 2022 and 31 March 2023	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 18

7.11 Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023

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 19

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

	2022/23	2021/22	2020/21	2019/20
Highest paid director salary	203,803	195,722	191,455	213,893
Median Salary	34,227	27,780	26,970	26,220
*25th percentile	24,891	21,777	21,142	
*25th percentile ratio	8.19	8.99	9.06	
*75th percentile	42,750	39,027	37,890	
*75th percentile ratio	4.77	5.02	5.05	
Median Salary Ratio	5.95	7.05	7.14	8.1
Employees receiving remuneration in excess of the highest paid director.	0	0	0	0
Remuneration range	10 - 204	9 - 196	9 - 191	8 - 214

Requirement introduced 2022

Table 20

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 2022/23.

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	22/23	21/22	22/23	21/22	22/23	21/22	22/23	21/22	22/23
<£10,000			27	32	89	130	27	32	89	130
£10,001 - £25,000			6	4	95	61	6	4	95	61
£25,001 - 50,000				1		28		1		28
£50,001 - £100,000										
£100,001 - £150,000										
£150,001 - £200,000										
>£200,000										
Total	**0**	**0**	**33**	**37**	**184**	**219**	**33**	**37**	**184**	**219**

Table 21

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	22/23	21/22	22/23
Voluntary redundancies including early retirement contractual costs				
Mutually agreed resignations (MARS) contractual costs	5	8	70	52
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	28	28	114	139
Exit payments following employment tribunals or court orders				
Non-contractual payments requiring HMT approval (special severance payments)*		1		28
Total**	**33**	**37**	**184**	**219**
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 22

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 2022/23. 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 28 June 2023 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 2022/23 all meetings continued to be held virtually.

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 regularly canvass the opinions of the Trust's members and the wider public regarding their views on the forward plans of the Trust. Whilst this has proved challenging in the last few years due to the pandemic, plans for the next year will

include a calendar of public engagement events to enable governors to seek views of members and wider public.

The table below provides an overall view of our Council of Governors during 2022/23.

Name	Area	Date Elected	End of tenure	Meeting attendance
Public Governors				
Oboh Achioyamen	Bolton North East	October 2020	September 2023	2/5
Mohammed Iqbal Essa	Bolton North East	October 2020	September 2023	4/5
Jane Lovatt	Bolton North East	October 2019	September 2022	0/3
Margaret Parrish ★	Bolton North East	October 2019	September 2022	2/3
Jack Ramsay	Bolton North East	October 2020	September 2023	2/5
Jim Sherrington	Bolton North East	October 2021	September 2024	1/5
Imteyaz Ali	Both North East	October 2022	September 2025	0/2
Dorothy Kenworthy	Bolton North East	October 2022	September 2025	0/2
Alan Yates	Bolton South East	October 2021	September 2024	2/5
Derek Burrows	Bolton South East	October 2019	September 2022	1/3
Kantilal Khimani	Bolton South East	October 2019	September 2022	1/3
Champak Mistry	Bolton South East	October 2022	September 2025	1/5
Kayonda Hubert Ngamaba	Bolton South East	October 2022	September 2025	1/5
Sorie Sesay	Bolton South East	October 2019	September 2022	0/3
Deborah Parker	Bolton South East	October 2022	September 2025	2/2
Gary Burke	Bolton South East	October 2022	September 2025	2/2
Rizvana Aftab	Bolton South East	October 2022	January 2023	0/1
David Barnes	Bolton West	October 2021	September 2024	5/5
David Edwards ★★	Bolton West	October 2021	September 2024	4/5
Janice Drake	Bolton West	October 2020	September 2023	4/5
Grace Hopps	Bolton West	October 2020	September 2023	3/5
Pauline Lee	Bolton West	October 2021	September 2024	3/5
Janet Whitehouse ★	Bolton West	October 2020	September 2023	5/5
Karen Morris	Out of Area	October 2020	September 2022	1/3
Sumirna Cusick	Out of Area	October 2022	September 2025	2/2
Staff Governors				
Dipak Fatania	All other staff	October 2019	September 2022	0/3

Tracey Holliday	Nurses & Midwives	October 2020	September 2023	4/5
Martin Anderson	AHPs & Scientists	October 2020	September 2023	0/5
Alan Physick	All other staff	October 2021	September 2024	1/3
Susan Moss	Doctors & Dentists	October 2021	September 2024	3/5
Catherine Binns	All other Staff	October 2022	September 2025	1/2
Lindiwe Mashangombe	All other Staff	October 2022	September 2025	1/2

Table 23

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. ★★ *Lead Governor (from November 2022)*			

8.3 Appointed Governors

Name	Representing	Date Appointed	Meeting Attendance
Ann Schenk	Bolton Healthwatch	December 2020	4/5
Jane Howarth	Bolton University	July 2014	0/5
Dawn Hennefer	Salford University	September 2014	3/5
Susan Baines	Bolton Metropolitan Borough Council	April 2019	1/5
Kevin McKeon	Bolton Metropolitan Borough Council	June 2021	3/5
Samir Naseef	Bolton Local Medical Committee	November 2012	0/5
Leigh Vallance	Bolton Local Council for Voluntary Services	July 2014	4/5

Table 24

8.4 Elections to the Council of Governors

The Trust is grateful for the time and commitment of all the governors who put their names forward each year for elections and to all members who take part in each elections. Governors provide a link between the hospital and the community it serves.

Our Elections were held according to the constitution in September 2022. Results were as reported in ***Table 25*** below.

Seat	Turnout	Governors Elected
Bolton North East	Uncontested	Imteyaz Ali Dorothy Kenworthy
Bolton South East	10%	Deborah Parker Gary Burke Champak Mistry Kayonda Ngamaba Rizvana Aftab
Rest of England	6.8%	Sumirna Cusick
Nurses and Midwives	No nominations received	
All other staff	Uncontested	Catherine Binns Lindiwe Mashangombe

Table 25

8.5 Lead Governor

The Council of Governors have previously agreed that the two chairs of the sub-committees would act as joint lead governor. However, at the meeting held in September 2022, the governors agreed for a single individual to undertake the role of Lead Governor.

The lead governor role is undertaken in accordance with NHS England guidance as the point of contact between the regulator and the Council of Governors with no additional responsibilities.

In 2022/23, the Governors fulfilling these roles were Margaret Parrish and Janet Whitehouse and latterly by David Edwards.

8.6 Council of Governors' Register of Interests

A register is kept of Directors' and Governors' interests 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 Council of Governors at their meeting held on 25 April 2023, appointed Dr Niruban Ratnarajah as the new Chair of the Trust. Dr Ratnarajah, whose declaration was held by the Trust, declared the below interests in accordance with the disclosure requirement.

- GP Partner: Stonehill Medical Centre
- Associate Medical Director: NHS GMIC
- Director: Ratnarajah Medical Services Limited (also T/A Extracellular, Private GP and Lifestyle Medicine)

The Board of Directors and the Council of Governors enjoy a strong working relationship. The Trust Chair acts as a link between the two bodies and chairs both meetings. 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 Trust Chair is the chair of 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 and as such ensured that all Council of Governors meetings were held virtually with meeting links published on the website to enable public engagement.

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 have continued to assess the independence of all Non-Executive Directors further to the requirements of the Code of Governance, and considers that each Non-Executive Director is independent in character and judgment.

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 2022/23 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 88.

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 2022 and 31 March 2023 were:

- Consideration of the Going Concern report prior to approval by the Board of Directors.
- Consider significant judgements and estimates in the accounts
- 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 Instructions.
- 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 2022 and 31 March 2023.

Audit Committee Attendance		
Members		
Alan Stuttard (Chair)	Non-Executive Director	4/5
Malcolm Brown	Non-Executive Director	5/5
Martin North	Non-Executive Director	5/5
Attendees		
Annette Walker	Director of Finance	5/5
Sharon Katema	Director of Corporate Governance	5/5

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 £94,340 *excluding VAT* for the Trust and £15,965 *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 2022/23.

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 27

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 2022/23. 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, regulation and compliance	
Assurance Framework and Risk Management	Low
**Lessons Learnt Review (previously Quality Governance)*	
Clinical, Patient safety and Operational areas	
Divisions / ward visits	High
Workforce, HR and OD	Medium

CNST (previously complaints review)	High
Information Technology	
**Information governance/DSP Toolkit*	
Business continuity/emergency planning (EPRR)	Low
Financial systems & controls	
**Key Financial controls (Capital Assets)*	
Charitable Funds	Low
Financial sustainability review	N/A
IFM	
Green Plan Review	Medium
**Security*	
ERoster/sickness absence	High

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

Table 28

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 2022)	4,949
At year end (31 March 2023)	4,870
Staff Constituency	
At year start (1 April 2022)	6,367
At year end (31 March 2023)	6,671

Table 29

10.7 Analysis of current public membership

Public Constituency	Number of members	Eligible membership
Age		
0 - 16	3	65,865
17- 22	194	16,028
22+	4,444	207,633
Not known	229	
Ethnicity		
White	2,995	226,645
Mixed	50	13,083
Asian or Asian British	585	38,749
Black or Black British	123	10,058
Other	80	6,285
Not known	1,037	
Gender		
Male	1,626	144,140
Female	3,121	145,385
Not known	123	
Socio-economic groupings:		
AB	1,131	20,255
C1	1,348	35,621
C2	1,077	25,760
DE	1,306	40,562

Table 30

11 NHS ENGLAND OVERSIGHT FRAMEWORK

NHS England's NHS Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs.

NHS organisations are allocated to one of four 'segments'.

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

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

b) additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity

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

11.1 Segmentation

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

This segmentation information is the Trust's position as at 28 June 2023. Current segmentation information for NHS trusts and foundation trusts is published on NHS England website [NHS England » NHS oversight framework segmentation]

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 England.

NHS England 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 and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual)* have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- Prepare the 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 3 July 2023

ANNUAL GOVERNANCE STATEMENT 2022/23

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 Bolton NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bolton NHS Foundation Trust for the year ended 31 March 2023 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. In addition, Executive Directors have responsibility for the risks that sit within their respective directorates.

The Board of Directors monitors 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 and its committees on organisational performance across Quality and Safety, Operational, Workforce, and Financial performance. 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.

The committees review and monitor the Integrated Performance Report and where 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, and 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 clinics and 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 four committees, namely:

- *Quality Assurance Committee* which 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.

- *Strategy and Operations Committee)* provides assurance on the operational performance and strategic planning functions of the Trust as well as providing oversight and assurance of the enabling digital and transformational work programmes.

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

3.2. The Risk and Control Framework

a) **Board Assurance Framework (BAF)**

The Executive Team has responsibility for the development and maintenance of the system of internal control. The Board Assurance Framework itself provides further evidence on the effectiveness of controls that manage the risks to the organisation achieving its principal objectives.

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 other key stakeholders at various forums including but not limited to, Council of Governor Meetings, Bolton Locality Board meetings, and Healthwatch. These meetings provide an opportunity for risk related issues to be raised and discussed

The Trust has been an active member and leader within the Bolton Health and Care Partnership since 2019 and was a leading partner in the establishment of the Bolton Integrated Care Partnership (ICP) which was the delivery vehicle for the neighbourhood model of care and informed the ICP Business Plan.

The appointment of our Chief Executive as Place Based Health and Care Lead has enhanced ties with our Bolton System partners which include the voluntary sector, Bolton Council and GM ICP Bolton Locality. All executive directors are members of the Locality Executive and attend meetings chaired by the Chief executive. Furthermore, The Locality Board meets monthly and is co-chaired by Cllr Linda Thomson and Sue Johnson, Chief Executive Officer of Bolton Council with organisational representation from the Trust alongside partners from the Bolton health system, is responsible for delivering the Vision and Objectives outlined in the Bolton Locality Plan.

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.

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.

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) which is overseen by the Chief Nurse and the Medical Director, if above a certain score, 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**.**

3.3. The Principal Risks

The recovery from the impact of Covid19, remains a significant risk in 2022/23 for the Trust particularly as this impacted on our staff and patients. The emotional and physical impact on our frontline staff is a concern and 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. The Trust implemented a number of health and wellbeing initiatives to support our staff. The launch of Our People Plan will underpin the workstreams aimed at 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 pandemic. Whilst we have recovered and removed the 104week waits for planned appointments, we are now working to meet the next milestone to ensure that no one is waiting longer than 65 weeks by the end of March 2024. We remain committed to working with our GM system partners to recover this activity.

Meeting the four hour 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.

3.4. Risk Appetite Statement

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

The Risk appetite is also reviewed at each quarterly iteration of the BAF and discussed at Committees and Board.

- 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.

4. WORKFORCE STRATEGY

Following the successful conclusion of the Trust's Workforce and Organisational Development Strategy, the Board of Directors approved Our People Plan 2023-2026. The Plan is deliberately ambitious and sets out our commitment to colleagues. The People Plan is structured into the following four pillars and has a list of activities that we will deliver and key measures of success:

- Attracting
- Developing and Leading
- Sustaining Retaining
- Including

Our mission remains the same: to be a great place to work, and by looking after our people, they will provide the best care to our patients, families and the people of Bolton.

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 which 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 2022 and November 2022 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.

Equality, Diversity & Inclusion (EDI) has and will remain a key priority for the Trust. 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 2023 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 five Quality Account Priorities are included on the Quality Assurance Workplan with updates provided to the Committee each quarter.
- Monthly Safe Staffing Report published on the website and presented to Clinical Quality and Governance Group

5.3. Care Quality Commission Regulatory Requirements

Bolton NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. 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 Care Quality Commission has not taken enforcement action against the Bolton NHS Foundation Trust during 2022/23

- 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.

- 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.

At the time of writing, the CQC is undertaking a Well Led Inspection. The full report, once published, will be uploaded on the Trust website and findings will be included in the next Annual Report.

5.4. NHS England 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.

The Register of Interests is publically available and is published on the dedicated declarations platform. Access to the register can also be obtained on request from the Director of Corporate Governance.

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 GM Integrated Care Partnership
- Updates to NHS England

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.

The Board of Directors approved this statement at their meeting held on 26 January 2023.

6.4. Data Quality and Governance

The 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. The Quality initiatives are chosen and prioritised based on quality, safety and experience data to ensure we focus improvement activities in the area of greatest need and that decisions are made based on robust data.

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.

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 two incidents requiring investigation during the period from April 2022 to March 2023, these incidents were reported firstly to NHS Digital via the Data Security and Protection Toolkit. Of the incidents reported via the toolkit the two were reported to the Information Commissioners Office (ICO) only. Data protection incidents are investigated following the Data Security and Protection Toolkit reporting tool, we have a SOP for Personal Data Breaches. All investigations are undertaken to identify key learning and areas of improvement for each specific incident, all the lessons learnt are shared by the divisional governance leads via teams meetings, guidance and where applicable, through updates to the Information Governance training modules.

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, NHS Data Security Standards and Network & Information Systems (NIS) Regulations.

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 Security and Protection 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 Trust’s 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 Security and Protection 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 2022-23 period. We will be submitting the toolkit in June 2023 ahead of the NHS Digital submission deadline of 30 June 2023.

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.
- Secure Email Standard Certification (DCB1596)
- Penetration tests (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 organisation 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 sustainability obligations under the Health and Care Act 2022, the resulting changes in the NHS Provider Licence, Climate Change Act 2008, Environment Act 2021 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, and the Health and Care Act 2022 requirements 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, and 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. As a large and busy acute hospital with ageing buildings and infrastructure, the 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.

The 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, the health of our communities and reduce the Trusts environmental impact. It will require

collective action from staff, patients, contractors, suppliers and visitors. Incorporating sustainability into the Trust's approach will help us make more informed and sustainable decisions to benefit the future as well as the present.

Another area where we are monitored is through the U.K Emissions Trading Scheme. This monitors our Carbon Dioxide equivalent (C02e) emissions. This is a key means of C02e monitoring as we are independently verified before the findings are reviewed by the Environment Agency. The following graph displays our previous 5 years of submissions.

Year	Emissions (tC02)
2018	6,445
2019	7,273
2020	7,885
2021	8,862
2022	8,056

The carbon footprint was calculated using 12 months' invoice data January to December per calendar year. The total 12-month consumption for each fossil fuel type acts as a combined annual baseline. Using the Digest of United Kingdom Energy Statistics (DUKES) conversion factors, carbon emissions were calculated in Tonnes CO2e (tC02).

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 with measure put in place to mitigate and control.

Assurance is provided by:

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.

The Head of Internal Audit opinion is that the Trust has “generally satisfactory systems and controls in relation to business critical areas however there are some areas of weakness and non-compliance which potentially put the achievement of objectives at risk.

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 annexed to the Trust Constitution and are contained within the Trust's legal and regulatory framework. They 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.

The Board of Directors reviewed and approved the changes to the Standing Orders in April 2023 and approved the final version at the meeting held on 26 May 2023.

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.

The Board receives the SFIs each year and approved the SFI at the meeting held in November 2023.

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.

The Board receives and approved the SoRD at the meeting held in November 2023.

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 and public sector organisations who 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 (NHSCFA), Counter Fraud Manager progress reports, counter fraud workplan and annual report which are reviewed by the Audit Committee for 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.

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.
- Receive assurance on the delivery of the Estates Masterplan within the defined parameters of time, cost, quality and specification.
- Through the Executive Team, the Committee oversees the delivery of the Estates Masterplan ensuring that cost implications of the programme are fully set out within robust financial plans and that it remains within the Trust's overall affordability.

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. Strategy and Operations Committee

The Strategy and Operations Committee is a newly constituted committee which provides the Board with assurance on the operational performance and strategic planning functions of the Trust in relation to:

- To oversee and provide assurance on the monthly operational Integrated Board Report
- To oversee performance against the Trust's strategic ambitions and objectives and ensure that the strategic programme is aligned and responsive to operational priorities, as articulated in the Trust's annual business plan To approve and monitor transformation and digital plans, ensuring their ongoing alignment to operational priorities

- To provide assurance to the Board on the progress and delivery of transformational and digital projects and programmes
- To maintain an understanding of wider local and national strategic drivers, ambitions, targets and policies to ensure that BFT is responding to wider NHS challenges and priorities
- To receive the Chair's reports from the Performance & Transformation and Digital Performance & Transformation Boards and provide assurance to the Board of Directors on their work programmes
- To ensure that the Strategic Operational work programme follows the Trust's benefits realisation programme, with project and programmes adding clear and demonstrable value to the Trust
- To encourage and enable risk managed innovation and experimentation as part of achieving our transformation objectives

10.7. 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.

10.8. 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.

10.9. 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.'

10.10. Significant Internal Control Issues

There were no significant internal control issues identified during 2022/23.

10.11. 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 2022-23, is that *overall the Trust and its subsidiary iFM have "***Reasonable / Moderate assurance** *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."*

This is the second highest classification for the HoIA Opinion used by PWC our Internal Auditors.

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

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 the 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, the Audit Committee, the Quality Assurance Committee and the risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

12. CONCLUSION

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: 03 July 2023

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 2023 which comprise the Consolidated Statement of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statements of Changes in 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 2023 and of the Group's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in March 2023 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2022/23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

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 Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to either cease the Group and Trust's services or dissolve the Group and Trust without the transfer of their 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 Accounting Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the Group and Trust over the going concern period.

Our conclusions based on this work:

- we consider that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the Accounting Officer's 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.
- Reading 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 in particular the risk that Group and component management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the block nature of the funding provided to the Trust during the year. We therefore assessed that there was limited opportunity for the Trust to manipulate the income that was reported**.**

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

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 journals posted as part of the year end close procedures that decreased the level of expenditure recorded, unusual entries to cash or borrowings, journals posted by seldom users and those posted to seldom used accounts.
- Performing a search for unrecorded liabilities after year-end to identify and potential missed liabilities by reviewing and sample testing bank statements.

Identifying and responding to risks of material misstatement related to 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 Accounting Officer and other management (as required by auditing standards), the policies and procedures regarding compliance with laws and regulations.

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 financial reporting aspects of NHS 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 and Trust 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 Accounting Officer is responsible for the other information, which comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") 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 2022/23. 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 all material respects, in accordance with the NHS Foundation Trust Annual Reporting Manual 2022/23.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 87, 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 either cease the services provided by the Group and Trust or 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 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

As explained more fully in the statement set out on page 87, the Accounting Officer is responsible for ensuring that the Trust has put 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 planned our work and 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 to use 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 to report to you if any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006. We have nothing to report in this respect.

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. 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 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 2023 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Debra Chamberlain

for and on behalf of KPMG LLP

Chartered Accountants

1 St Peter's Square
Manchester
M2 3AE
United Kingdom

5 July 2023

Bolton NHS Foundation Trust

Annual accounts for the year ended 31 March 2023

Foreword to the accounts

Bolton NHS Foundation Trust

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

Signed ……

Name **F Noden**
Job title **Chief Executive**
Date **29th June 2023**

Consolidated Statement of Comprehensive Income

		Group	
		2022/23	2021/22
	Note	£000	£000
Operating income from patient care activities	3	447,757	410,365
Other operating income	4	30,582	29,126
Operating expenses	9, 11	(475,701)	(439,547)
Operating surplus/(deficit) from continuing operations		**2,638**	**(56)**
Finance income	17	544	17
Finance expenses	18	(1,098)	(966)
Public dividend capital (PDC) dividends payable		(2,996)	(1,752)
Net finance costs		**(3,550)**	**(2,701)**
Other gains / (losses)	19	(127)	-
Gains / (losses) arising from transfers by absorption		4,411	963
Corporation tax expense	20	(538)	723
Surplus / (deficit) for the year		**2,834**	**(1,071)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	10	(371)	(1,257)
Revaluations	25	6,148	1,547
Total comprehensive income / (expense) for the period		**8,611**	**(781)**

Statements of Financial Position

	Note	Group 31 March 2023 £000	Group 31 March 2022 £000	Trust 31 March 2023 £000	Trust 31 March 2022 £000
Non-current assets					
Intangible assets	21	13,898	10,432	13,555	10,191
Property, plant and equipment	22	160,303	123,340	159,765	122,948
Right of use assets	23	22,655	-	22,523	-
Investment in subsidiary	27	-	-	18,167	17,550
Loans to subsidiary	28	-	-	23,220	24,136
Receivables	30	4,115	5,090	1,027	950
Total non-current assets		**200,971**	**138,862**	**238,257**	**175,775**
Current assets					
Inventories	29	4,368	4,217	3,940	3,793
Receivables	30	29,984	18,830	28,268	18,946
Cash and cash equivalents	31	58,178	56,820	49,239	48,824
Total current assets		**92,530**	**79,867**	**81,447**	**71,563**
Current liabilities					
Trade and other payables	32	(77,287)	(61,682)	(72,242)	(57,444)
Borrowings	34	(9,563)	(4,178)	(10,592)	(5,906)
Provisions	36	(5,499)	(6,049)	(5,102)	(5,949)
Other liabilities	33	(4,641)	(3,323)	(4,640)	(3,323)
Total current liabilities		**(96,990)**	**(75,232)**	**(92,576)**	**(72,622)**
Total assets less current liabilities		**196,511**	**143,497**	**227,128**	**174,716**
Non-current liabilities					
Borrowings	34	(48,342)	(35,713)	(78,959)	(66,932)
Provisions	36	(1,304)	(1,480)	(1,304)	(1,480)
Total non-current liabilities		**(49,646)**	**(37,193)**	**(80,263)**	**(68,412)**
Total assets employed		**146,865**	**106,304**	**146,865**	**106,304**
Financed by					
Public dividend capital	41	167,386	135,436	167,386	135,436
Revaluation reserve	42	33,929	27,779	33,929	27,779
Income and expenditure reserve		(54,450)	(56,911)	(54,450)	(56,911)
Total taxpayers' equity		**146,865**	**106,304**	**146,865**	**106,304**

The notes on pages 7 to 52 form part of these accounts.

Name **F Noden**
Position **Chief Executive**
Date **29th June 2023**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**135,436**	**27,779**	**(56,911)**	**106,304**
Surplus/(deficit) for the year	-	-	2,834	**2,834**
Transfers by absorption: transfers between reserves	-	468	(468)	**-**
Impairments	-	(371)	-	**(371)**
Revaluations	-	6,148	-	**6,148**
Transfer to retained earnings on disposal of assets		(95)	95	**-**
Public dividend capital received	31,950	-	-	**31,950**
Taxpayers' and others' equity at 31 March 2023	**167,386**	**33,929**	**(54,450)**	**146,865**

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**

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

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**135,436**	**27,779**	**(56,911)**	**106,304**
Surplus/(deficit) for the year	-	-	2,217	**2,217**
Transfers by absorption: transfers between reserves	-	468	(468)	**-**
Share of comprehensive income from subsidiary	-	-	617	**617**
Impairments	-	(371)	-	**(371)**
Revaluation	-	6,148	-	**6,148**
Transfer to retained earnings on disposal of assets	-	(95)	95	**-**
Public dividend capital received	31,950	-	-	**31,950**
Taxpayers' and others' equity at 31 March 2023	**167,386**	**33,929**	**(54,450)**	**146,865**

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**

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

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	
		2022/23	2021/22	2022/23	2021/22
	Note	£000	£000	£000	£000
Cash flows from operating activities					
In year adjustment*		-	-	-	(2,075)
Operating surplus / (deficit)		2,638	(56)	1,729	(380)
Non-cash income and expense:					
Depreciation and amortisation	9	13,570	8,275	13,446	8,257
Net impairments	10	174	1,183	174	1,183
Income recognised in respect of capital donations	4.1	(448)	(112)	(448)	(112)
(Increase) / decrease in receivables and other assets		(10,179)	(8,239)	(9,371)	(7,959)
(Increase) / decrease in inventories		(151)	193	(147)	224
Increase / (decrease) in payables and other liabilities		10,256	16,166	22,071	15,231
Increase / (decrease) in provisions		(734)	3,036	(1,033)	3,217
Tax (paid) / received		(306)	(183)	-	-
Other movements in operating cash flows		(336)	-	-	-
Net cash flows from / (used in) operating activities		**14,484**	**20,263**	**26,421**	**17,586**
Cash flows from investing activities					
Interest received		544	17	1,393	895
Purchase of intangible assets		(5,390)	(579)	(5,118)	(575)
Purchase of PPE and investment property		(29,449)	(15,991)	(42,179)	(13,424)
Receipt of cash donations to purchase capital assets		425		425	
Net cash flows from / (used in) investing activities		**(33,870)**	**(16,553)**	**(45,479)**	**(13,104)**
Cash flows from financing activities					
Public dividend capital received	41	31,950	14,317	31,950	14,317
Movement on loans from DHSC	34	(1,616)	(3,977)	(1,616)	(3,977)
Other capital receipts		-	-	885	855
Capital element of finance lease rental payments		(5,477)	(673)	(6,540)	(2,401)
Interest on loans		(874)	(949)	(874)	(955)
Other interest		(23)	(38)	(1)	-
Interest paid on finance lease liabilities		(227)	(9)	(1,342)	(1,176)
PDC dividend (paid) / refunded		(2,989)	(1,069)	(2,989)	(1,069)
Cash flows from (used in) other financing activities		-	-	-	-
Net cash flows from / (used in) financing activities		**20,744**	**7,602**	**19,473**	**5,594**
Increase / (decrease) in cash and cash equivalents		**1,358**	**11,312**	**415**	**10,076**
Cash and cash equivalents at 1 April - brought forward		**56,820**	**45,508**	**48,824**	**38,748**
Cash and cash equivalents at 31 March	31	**58,178**	**56,820**	**49,239**	**48,824**

* 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 England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2022/23 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

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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 2023. The accounting periods for iFM and the Trust are aligned for the 2022/23 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 in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

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

In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differs from the agreed level set in the fixed payments, the variable element either increases or reduces the income earned by the Trust at a rate of 75% of the tariff price. In 2021/22 income earned by the system for elective recovery was distributed between individual entities by local agreement. Income earned from the fund in 2021/22 was accounted for as variable consideration.

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

Revenue from research contracts

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

NHS injury cost recovery scheme

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

Note 1.5 Other forms of income

Other Income

Grants and donations

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

Apprenticeship service income

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

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 employer, 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 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.

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

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

Depreciation

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 have 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 the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

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

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

Donated and grant funded assets

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

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

This includes assets donated to the trust by the Department of Health and Social Care 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

Note 1.10 Intangible assets

Recognition

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

Internally generated intangible assets

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

Expenditure on research is not capitalised. 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**
Intangible assets - internally generated		
Information technology	**-**	**-**
Development expenditure	**-**	**-**
Websites	**-**	**-**
Intangible assets - purchased	**-**	**-**
Software licences	2	6
Licenses & trademarks	**-**	**-**
Patents	**-**	**-**
Other (purchased)	**-**	**-**
Goodwill	**-**	**-**

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.

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 leasing arrangements 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.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Impairment of financial assets

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

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

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

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

Derecognition

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

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

Note 1.14 Leases

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

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

The Trust as a lessee

Finance leases

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

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

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

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

Operating leases

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

Initial application of IFRS 16

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

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

The Trust as lessee

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

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

The Trust as lessor

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

2021/22 comparatives

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

Note 1.15 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2023:

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of 3.51% in real terms (prior year: minus 1.30%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 37 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 38 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 in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at: https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result 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 Climate change levy
Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.21 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 1.22 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 1.23 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 1.24 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 1.25 Transfers of functions to / from other NHS bodies

For functions that have been transferred to the Trust from another body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / (loss) corresponding to the net assets/ (liabilities) transferred is recognised within income / (expenses), but not within operating activities.

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

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net (loss) / gain corresponding to the net assets/ liabilities transferred is recognised within (expenses) / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

Note 1.26 Early adoption of standards, amendments and interpretations

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

Note 1.27 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 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 1.28 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 1.29 Sources of estimation uncertainty

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

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.

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)	**2022/23**	**2021/22**
	£000	**£000**
Acute services		
Block contract / system envelope income	365,471	318,440
High cost drugs income from commissioners (excluding pass-through costs)	1,270	18,319
Other NHS clinical income	3,126	3,769
Community services		
Block contract / system envelope income*	39,044	38,392
Income from other sources (e.g. local authorities)	14,180	12,647
All services		
Private patient income	33	52
Elective recovery fund	-	6,715
Agenda for change pay offer central funding	11,060	-
Additional pension contribution central funding*	11,538	10,755
Other clinical income	2,035	1,276
Total income from activities	**447,757**	**410,365**

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

Note 3.2 Income from patient care activities (by source)

	2022/23	**2021/22**
	£000	**£000**
NHS England	58,969	44,668
Clinical commissioning groups	85,809	351,555
Integrated care boards	286,013	-
Other NHS providers	238	91
Local authorities	14,651	12,647
Non-NHS: private patients	33	52
Non-NHS: overseas patients (chargeable to patient)	414	112
Injury cost recovery scheme	563	663
Non NHS: other	1,067	577
Total income from activities	**447,757**	**410,365**

Note 4.1 Other operating income (Group)

	2022/23		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	593	-	**593**
Education and training	13,624	516	**14,140**
Non-patient care services to other bodies	1,885	-	**1,885**
Reimbursement and top up funding	1,590	-	**1,590**
Income in respect of employee benefits accounted on a gross basis	4,124	-	**4,124**
Receipt of capital grants and donations	-	448	**448**
Charitable and other contributions to expenditure	-	878	**878**
Rental revenue from operating leases		299	**299**
Other income	6,625	-	**6,625**
Total other operating income	**28,441**	**2,141**	**30,582**

	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**

Note 4.2 Other within other operating income (Group)

	2022/23	2021/22
	£000	£000
Car parking	1,311	571
Catering	37	-
Pharmacy sales	75	134
Staff accommodation rentals	392	17
Non Clinical services recharged to other bodies	522	688
Staff contributions to employee benefit schemes	23	17
Clinical tests	342	217
Clinical excellence awards	432	432
Other income generation schemes	51	28
Other income not already covered	3,440	3,037
Total	**6,625**	**5,141**

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

	2022/23	2021/22
	£000	£000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end.	1,573	1,535

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:

	2022/23	2021/22
	£000	£000
Income from services designated as commissioner requested services	430,791	396,223
Income from services not designated as commissioner requested services	16,966	14,142
Total	**447,757**	**410,365**

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

	2022/23	2021/22
	£000	£000
Income recognised this year	414	112
Cash payments received in-year	64	22
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	-

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 2023 was £39k. (£30k for the year ended 31 March 2022) 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 £2,217k (2021/22: £(2,375k)). The trust's total comprehensive income/(expense) for the period was £8,225k (2021/22: £(2,086k).

Note 9.1 Operating expenses (Group)

	2022/23	2021/22
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,880	2,885
Purchase of healthcare from non-NHS and non-DHSC bodies	1,285	4,703
Staff and executive directors costs	342,598	312,958
Remuneration of non-executive directors	178	150
Supplies and services - clinical (excluding drugs costs)	29,659	28,128
Supplies and services - general	4,400	4,412
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	26,323	25,509
Inventories written down	57	127
Consultancy costs	289	351
Establishment	4,512	3,004
Premises	24,273	26,319
Transport (including patient travel)	1,365	852
Depreciation on property, plant and equipment	11,825	6,476
Amortisation on intangible assets	1,745	1,799
Net impairments	174	1,183
Movement in credit loss allowance: contract receivables / contract assets	165	-
Change in provisions discount rate(s)	(157)	17
Audit fees payable to the external auditor:		
audit services- statutory audit	129	124
other auditor remuneration (external auditor only)	-	-
Internal audit costs	144	101
Clinical negligence	18,724	16,413
Legal fees	339	135
Insurance	313	313
Education and training	1,702	1,577
Rentals under operating leases	-	271
Early retirements	-	30
Losses, ex gratia & special payments	261	211
Other	2,518	1,499
Total	**475,701**	**439,547**

Note 9.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1 million (2021/22: £1 million).

Note 10 Impairment of assets (Group)

	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	174	1,183
Total net impairments charged to operating surplus / deficit	**174**	**1,183**
Impairments charged to the revaluation reserve	371	1,257
Total net impairments	**545**	**2,440**

Note 11 Employee benefits (Group)

	2022/23 Total £000	2021/22 Total £000
Salaries and wages	259,744	236,535
Social security costs	25,610	22,631
Apprenticeship levy	1,175	1,016
Employer's contributions to NHS pensions*	38,407	35,872
Termination benefits	190	185
Temporary staff (including agency)	18,857	17,785
Total gross staff costs	**343,983**	**314,024**
Recoveries in respect of seconded staff	-	-
Total staff costs	**343,983**	**314,024**
Of which		
Costs capitalised as part of assets	1,195	881

	2022/23 £000	2021/22 £000
Analysed as		
Employee expense - Executive directors	1,433	1,340
Employee expense - Staff costs	342,550	312,684
Total gross staff costs is comprised of:	**343,983**	**314,024**

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

Note 12 Directors' remuneration (Group)

	2022/23 £'000	2021/22 £'000
Directors' remuneration	1,610	1,490
Employer contribution to a pension scheme in respect of directors	154	145

	2022/23 Number	2021/22 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 2022/23 there were 5 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £341k (£110k in 2021/22).

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

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

b) Full actuarial (funding) valuation

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

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

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

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

	2022/23	2021/22
	£000	£000
Operating lease revenue		
Contingent rent	299	286
Total	**299**	**286**

	31 March 2023	31 March 2022
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	238	286
- later than one year and not later than five years;	481	715
- later than five years.	381	906
Total	**1,100**	**1,907**

Note 17 Finance income (Group)

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

	2022/23	2021/22
	£000	£000
Interest on bank accounts	544	17
Total finance income	**544**	**17**

Note 18 Finance expenditure (Group)

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

	2022/23	2021/22
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	840	920
Finance leases	227	9
Interest on late payment of commercial debt	-	38
Total interest expense	**1,067**	**967**
Unwinding of discount on provisions	8	(1)
Other finance costs	23	-
Total finance costs	**1,098**	**966**

Note 18.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2022/23	2021/22
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	837	729
Amounts included within interest payable arising from claims made under this legislation	-	38

Note 19 Other gains / (losses) (Group)

	2022/23	2021/22
	£000	£000
Losses on disposal of assets	(127)	-
Total other gains / (losses)	**(127)**	**-**

Note 20 Taxation on profit (Group)

Tax charged in the profit and loss account

	2022/23	2021/22
	£000	£000
Current taxation		
Current tax on profits for the year	181	224
Adjustment in respect of prior years	(107)	(1)
Total current taxation	**74**	**223**
Deferred taxation		
Current year	255	100
Adjustment in respect of prior years	129	-
Effect of changes in tax rates	80	(1,046)
Total deferred tax	**464**	**(946)**
Income tax expense reported in the SOCI	**538**	**(723)**

The charge for the year can be reconciled to the profit per the income statement as follows

Profit for the year	1,177	581
Tax on profit at standard UK tax rate of 19% (2022: 19%)	224	110
Adjustments in respect of prior years	23	(1)
Income not taxable	(10)	-
Leases	221	214
Tax rate changes	80	(1,046)
Tax credit for the year	**538**	**(723)**
Income tax expense reported in the income statement	**538**	**(723)**

Note 21 Intangible assets - 2022/23

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**14,238**	**3,246**	**17,484**
Transfers by absorption	-	303	**303**
Additions	918	4,517	**5,435**
Reclassifications	856	(1,383)	**(527)**
Disposals/derecognition	(4,075)	-	**(4,075)**
Valuation / gross cost at 31 March 2023	**11,937**	**6,683**	**18,620**
Amortisation at 1 April 2022 - brought forward	**7,052**	**-**	**7,052**
Provided during the year	1,745	-	**1,745**
Disposals/derecognition	(4,075)	-	**(4,075)**
Amortisation at 31 March 2023	**4,722**	**-**	**4,722**
Net book value at 31 March 2023	**7,215**	**6,683**	**13,898**
Net book value at 1 April 2022	**7,186**	**3,246**	**10,432**

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 - as previously stated	**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 - as previously stated	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 - 2022/23

Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**14,231**	**3,010**	**17,241**
Transfers by absorption	-	303	**303**
Additions	918	4,415	**5,333**
Reclassifications	856	(1,383)	**(527)**
Disposals/derecognition	(4,075)	-	**(4,075)**
Valuation / gross cost at 31 March 2023	**11,930**	**6,345**	**18,275**
Amortisation at 1 April 2022 - brought forward	**7,050**	**-**	**7,050**
Provided during the year	1,745	-	**1,745**
Disposals/derecognition	(4,075)	-	**(4,075)**
Amortisation at 31 March 2023	**4,720**	**-**	**4,720**
Net book value at 31 March 2023	**7,210**	**6,345**	**13,555**
Net book value at 1 April 2022	**7,181**	**3,010**	**10,191**

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 - as previously stated	**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 - as previously stated	**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 22.1 Property, plant and equipment - 2022/23

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 2022 - brought forward	**3,051**	**79,262**	**506**	**17,403**	**38,595**	**129**	**24,002**	**423**	**163,371**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(7,662)	-	-	-	**(7,662)**
Transfers by absorption	260	3,792	-	211	-	-	-	-	**4,263**
Additions	-	3,145	-	31,891	832	-	323	-	**36,191**
Impairments	-	(371)	-	-	-	-	-	-	**(371)**
Revaluations	-	6,148	-	-	-	-	-	-	**6,148**
Reclassifications	-	(4,540)	-	(4,304)	980	-	2,523	-	**(5,341)**
Disposals / derecognition	-	-	-	-	(9,011)	(59)	(5,046)	(308)	**(14,424)**
Valuation/gross cost at 31 March 2023	**3,311**	**87,436**	**506**	**45,201**	**23,734**	**70**	**21,802**	**115**	**182,175**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**3,382**	**12**	**-**	**23,925**	**127**	**12,162**	**423**	**40,031**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(4,742)	-	-	-	**(4,742)**
Transfers by absorption	-	155	-	-	-	-	-	-	**155**
Provided during the year	-	2,312	11	-	1,854	1	2,241	-	**6,419**
Impairments	-	174	-	-	-	-	-	-	**174**
Reclassifications	-	(5,868)	-	-	-	-	-	-	**(5,868)**
Disposals / derecognition	-	-	-	-	(8,896)	(59)	(5,034)	(308)	**(14,297)**
Accumulated depreciation at 31 March 2023	**-**	**155**	**23**	**-**	**12,141**	**69**	**9,369**	**115**	**21,872**
Net book value at 31 March 2023	**3,311**	**87,281**	**483**	**45,201**	**11,593**	**1**	**12,433**	**-**	**160,303**
Net book value at 1 April 2022	**3,051**	**75,880**	**494**	**17,403**	**14,670**	**2**	**11,840**	**-**	**123,340**

Note 22.2 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 - as previously stated	**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 - as previously stated	**-**	**-**	**-**	**-**	**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**
Revaluations	-	-	-	-	-	-	-	-	**-**
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 22.3 Property, plant and equipment financing - 2022/23

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 2023									
Owned - purchased	3,311	87,281	483	45,201	10,688	1	12,406	-	**159,371**
Finance leased									**-**
Owned - donated	-	-	-	-	905	-	27	-	**932**
NBV total at 31 March 2023	**3,311**	**87,281**	**483**	**45,201**	**11,593**	**1**	**12,433**	**-**	**160,303**

Note 22.4 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 22.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

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
Subject to an operating lease	-	3,135	-	-	-	-	-	-	**3,135**
Not subject to an operating lease	3,311	84,146	483	45,201	11,593	1	12,433	-	**157,168**
NBV total at 31 March 2023	**3,311**	**87,281**	**483**	**45,201**	**11,593**	**1**	**12,433**	**-**	**160,303**

Note 22.6 Property, plant and equipment - 2022/23

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 2022 - brought forward	**3,051**	**79,262**	**506**	**17,121**	**38,467**	**129**	**23,972**	**423**	**162,931**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(7,662)	-	-	-	**(7,662)**
Transfers by absorption	260	3,792	-	211	-	-	-	-	**4,263**
Additions	-	3,145	-	31,725	832	-	323	-	**36,025**
Impairments	-	(371)	-	-	-	-	-	-	**(371)**
Revaluations	-	6,148	-	-	-	-	-	-	**6,148**
Reclassifications	-	(4,540)	-	(4,304)	980	-	2,523	-	**(5,341)**
Disposals / derecognition	-	-	-	-	(9,011)	(59)	(5,046)	(308)	**(14,424)**
Valuation/gross cost at 31 March 2023	**3,311**	**87,436**	**506**	**44,753**	**23,606**	**70**	**21,772**	**115**	**181,569**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**3,382**	**12**	**-**	**23,883**	**126**	**12,157**	**423**	**39,983**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(4,742)	-	-	-	**(4,742)**
Transfers by absorption	-	155	-	-	-	-	-	-	**155**
Provided during the year	-	2,312	11	-	1,837	-	2,239	-	**6,399**
Impairments	-	174	-	-	-	-	-	-	**174**
Revaluations	-	(5,868)	-	-	-	-	-	-	**(5,868)**
Disposals / derecognition	-	-	-	-	(8,896)	(59)	(5,034)	(308)	**(14,297)**
Accumulated depreciation at 31 March 2023	**-**	**155**	**23**	**-**	**12,082**	**67**	**9,362**	**115**	**21,804**
Net book value at 31 March 2023	**3,311**	**87,281**	**483**	**44,753**	**11,524**	**3**	**12,410**	**-**	**159,765**
Net book value at 1 April 2022	**3,051**	**75,880**	**494**	**17,121**	**14,584**	**3**	**11,815**	**-**	**122,948**

Note 22.7 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 - as previously stated	**3,051**	**74,241**	**538**	**6,377**	**34,267**	**129**	**21,853**	**423**	**140,879**
Transfer 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 - as previously stated	**-**	**-**	**-**	**-**	**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**
Revaluations	-	-	-	-	(470)	-	-	-	**(470)**
Disposals / derecognition	-	-	-	-	-	-	-	-	**-**
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 22.8 Property, plant and equipment financing - 2022/23

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 2023									
Owned - purchased	3,311	87,281	483	44,753	10,619	3	12,383	-	**158,833**
Finance leased	-	-	-	-	-	-	-	-	**-**
Owned - donated	-	-	-	-	905	-	27	-	**932**
NBV total at 31 March 2023	**3,311**	**87,281**	**483**	**44,753**	**11,524**	**3**	**12,410**	**-**	**159,765**

Note 22.9 Property, plant and equipment financing - 31 March 2022

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 23 Right of use assets - 2022/23

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	7,662	**7,662**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	23,717	376	**24,093**	23,717
Additions	-	1,048	**1,048**	-
Valuation/gross cost at 31 March 2023	**23,717**	**9,086**	**32,803**	**23,717**
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	4,742	**4,742**	-
Provided during the year	4,778	628	**5,406**	4,778
Accumulated depreciation at 31 March 2023	**4,778**	**5,370**	**10,148**	**4,778**
Net book value at 31 March 2023	**18,939**	**3,716**	**22,655**	**18,939**
Net book value of right of use assets leased from other NHS providers				-
Net book value of right of use assets leased from other DHSC group bodies				18,939

Note 23.1 Right of use assets - 2022/23

Trust	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	7,662	**7,662**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	23,717	140	**23,857**	23,717
Additions	-	1,048	**1,048**	-
Valuation/gross cost at 31 March 2023	**23,717**	**8,850**	**32,567**	**23,717**
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	4,742	**4,742**	-
Provided during the year	4,778	524	**5,302**	4,778
Accumulated depreciation at 31 March 2023	**4,778**	**5,266**	**10,044**	**4,778**
Net book value at 31 March 2023	**18,939**	**3,584**	**22,523**	**18,939**
Net book value of right of use assets leased from other NHS providers				-
Net book value of right of use assets leased from other DHSC group bodies				18,939

Note 24 Donations and Grant Funded property, plant and equipment

Assets totalling £24k have been donated by Bolton NHS Charitable Fund. This was for a Phillips Stress Test System

Bolton NHS Chartiable Fund granted the Trust £425k to build the Faith Facilities

Note 25 Revaluations of property, plant and equipment

At 31 March 2023 no land, buildings or dwellings were valued at open market value.

The date of the latest revaluation of land and buildings was 31 March 2023. 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 Bolton Limited, in a way that would allow VAT to be recovered in full.

The overall effect of the revaluation was a increase in the value of land and buildings of £5,608k. This is shown in the accounts as detailed below

	£000	
Impairment charged to SOCI	(174)	note 9.1
Impairment charged to revaluation reserve	(371)	note 42
Revaluation charged to revaluation reserve	6,148	note 42
Total decrease in value of land and buildings	5,603	

Note 26 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.

	2022/23 £000	2021/22 £000
Operating lease expense		
Minimum lease payments	-	271
Total	**-**	**271**

	31 March 2023 £000	31 March 2022 £000
Future minimum lease payments due:		
- not later than one year;	-	257
- later than one year and not later than five years;	-	387
- later than five years.	-	27
Total	**-**	**671**

Note 27 Investments in subsidary

	Group		Trust	
	2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
Carrying value at 1 April - brought forward	**-**	**-**	**17,550**	**16,245**
Share of subsidiary profit	-	-	617	1,305
Carrying value at 31 March	**-**	**-**	**18,167**	**17,550**

The shares in the subsidiary company IFM comprises a 100% holding in the share capital consisting of 12,435,255 ordinary £1 shares.

Note 28 Loans to subsidary

	Group		Trust	
	2022/23	**2021/22**	**2022/23**	**2021/22**
	£000	£000	**£000**	£000
Loans to subsidiary undertakings < 1 year	-	-	**916**	**885**
Loans to subsidiary undertakings > 1 year	-	-	**23,220**	**24,136**
	-	**-**	**24,136**	**25,021**

Note 29 Inventories

	Group		Trust	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	£000	**£000**	**£000**	**£000**
Drugs	1,707	1,413	1,707	1,413
Consumables	2,337	2,495	2,233	2,380
Other	324	309	-	-
Total inventories	**4,368**	**4,217**	**3,940**	**3,793**

Inventories recognised in expenses for the year were £23,409k (2021/22: £28,447k). Write-down of inventories recognised as expenses for the year were £57k (2021/22: £127k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2022/23 the Trust received £878k of items purchased by DHSC (2021/22: £1,104k).

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 30 Receivables

	Group		Trust	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	£000	**£000**	**£000**	**£000**
Current				
Contract receivables	19,695	9,822	19,186	10,125
Allowance for impaired contract receivables / assets	(1,009)	(587)	(976)	(554)
Prepayments (non-PFI)	6,049	7,854	5,601	7,361
PDC dividend receivable	-	-	-	-
VAT receivable	3,396	1,410	2,520	1,018
Deferred tax	205	220	-	-
Loan repayments from IFM	-	-	916	885
Other receivables	1,648	111	1,021	111
Total current receivables	**29,984**	**18,830**	**28,268**	**18,946**
Non-current				
Allowance for other impaired receivables	-	(257)	-	(255)
Deferred tax	3,088	4,142	-	-
Other receivables	1,027	1,205	1,027	1,205
Total non-current receivables	**4,115**	**5,090**	**1,027**	**950**
Of which receivable from NHS and DHSC group bodies:				
Current	17,206	7,171		
Non-current	1,027	1,028		

Note 30.1 Allowances for credit losses - 2022/23

	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 2022 - brought forward	**844**	**-**	**790**	**-**
New allowances arising	165	-	78	-
Utilisation of allowances	-	-	-	-
Allowances as at 31 Mar 2023	**1,009**	**-**	**868**	**-**

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 30.2 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 - as previously stated	**851**	**-**	**817**	**-**
New allowances arising	-	-	-	-
Utilisation of allowances	(7)	-	(27)	-
Allowances as at 31 Mar 2022	**844**	**-**	**790**	**-**

Note 31 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	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
At 1 April	**56,820**	**45,508**	**48,824**	**36,673**
Net change in year	1,358	11,312	415	12,151
At 31 March	**58,178**	**56,820**	**49,239**	**48,824**
Broken down into:				
Cash at commercial banks and in hand	6	9	5	8
Cash with the Government Banking Service	58,172	56,811	49,234	48,816
Total cash and cash equivalents as in SoFP	**58,178**	**56,820**	**49,239**	**48,824**
Total cash and cash equivalents as in SoCF	**58,178**	**56,820**	**49,239**	**48,824**

Note 31.1 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 32 Trade and other payables

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Trade payables	5,129	7,691	21,782	10,187
Capital payables	21,641	14,878	5,920	11,884
Accruals	36,475	25,559	31,796	22,856
VAT payables	-	-	-	-
Other taxes payable	6,419	6,094	5,975	5,576
PDC dividend payable	145	138	145	138
Pension contributions payable	3,759	3,514	3,703	3,452
Other payables	3,719	3,808	2,921	3,351
Total current trade and other payables	**77,287**	**61,682**	**72,242**	**57,444**
Of which payables from NHS and DHSC group bodies:				
Current	4,357	4,037		
Non-current	-	-		

Note 33 Other liabilities

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Deferred income: contract liabilities	4,641	3,323	4,640	3,323
Total other current liabilities	**4,641**	**3,323**	**4,640**	**3,323**

Note 34 Borrowings

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Loans from DHSC	4,049	4,073	4,049	4,073
Obligations under finance leases	5,514	105	6,543	1,833
Total current borrowings	**9,563**	**4,178**	**10,592**	**5,906**
Non-current				
Loans from DHSC	34,087	35,713	34,087	35,713
Obligations under finance leases	14,255	-	44,872	31,219
Total non-current borrowings	**48,342**	**35,713**	**78,959**	**66,932**

* The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in accounting policy can be found in note 23.

The Trust has three loans with the DHSC which total £38,136k. These are summarised below:

	Amount Outstanding at 31 March 2023 £'000	Term of the original loan	Fixed Interest rate	Date to be fully repaid
"Making it Better" developments within Womens and Childrens Services	7,943	19 years	3.75%	Oct-29
Estate Strategy	20,670	24 years	2.22%	Nov-40
EPR	9,523	9 years	0.83%	Nov-27

Note 34.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2022/23	Loans from DHSC £000	Finance leases £000	Total £000
Carrying value at 1 April 2022	**39,786**	**105**	**39,891**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,616)	(5,477)	**(7,093)**
Financing cash flows - payments of interest	(874)	(227)	**(1,101)**
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases		24,093	**24,093**
Additions	-	1,048	**1,048**
Application of effective interest rate	840	227	**1,067**
Other changes	-	-	**-**
Carrying value at 31 March 2023	**38,136**	**19,769**	**57,905**

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**

Note 34.2 Reconciliation of liabilities arising from financing activities (Trust)

Trust - 2022/23	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2022	**39,786**	**33,052**	**72,838**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,616)	(1,751)	**(3,367)**
Financing cash flows - payments of interest	(874)	(77)	**(951)**
Non-cash movements:			
Additions	-	1,048	**1,048**
Application of effective interest rate	840	-	**840**
Other changes	-	-	**-**
Carrying value at 31 March 2023	**38,136**	**32,272**	**70,408**

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**

Note 35 Finance leases

Note 35 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note .

	Group 2022/23 £000	Trust 2022/23 £000
Carrying value at 31 March 2022	**105**	**33,052**
IFRS 16 implementation - adjustments for existing operating leases	24,093	23,857
Lease additions	1,048	1,048
Interest charge arising in year	227	1,342
Lease payments (cash outflows)	(5,704)	(7,882)
Carrying value at a April 2023	**19,769**	**51,417**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.
These payments are disclosed in Note 9.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 35.1 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000
Undiscounted future lease payments payable in:				
- not later than one year;	5,514	4,895	6,615	4,895
- later than one year and not later than five years;	14,633	14,508	18,478	14,508
- later than five years.	-	-	26,703	-
Total gross future lease payments	**20,147**	**19,403**	**51,796**	**19,403**
Finance charges allocated to future periods	(378)	(374)	(379)	(374)
Net lease liabilities at 31 March 2023	**19,769**	**19,029**	**51,417**	**19,029**
Of which:				
- Current	5,514	4,895	6,615	4,895
- Non-Current	14,255	14,134	44,802	14,134

Note 35.2 Maturity analysis of finance lease liabilities at 31 March 2022 (IAS 17 basis)

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

	Group	Trust
	31 March 2022	31 March 2022
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	105	105
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total gross future lease payments	**105**	**105**
Finance charges allocated to future periods	-	
Net finance lease liabilities at 31 March 2022	**105**	**105**
of which payable:		
- not later than one year;	105	105
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-

Note 35.3 Commitments in respect of operating leases at 31 March 2022 (IAS 17 basis)

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

	Group	Trust
	2021/22	2021/22
	£000	£000
Operating lease expense		
Minimum lease payments	271	271
Total	**271**	**271**

	31 March 2022	31 March 2022
	£000	£000
Future minimum lease payments due:		
- not later than one year;	257	257
- later than one year and not later than five years;	387	387
- later than five years.	27	27
Total	**671**	**671**
Future minimum sublease payments to be received	-	

Note 35.4 Initial application of IFRS 16 on 1 April 2022

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

The standard has been applied using a modified retrospective approach without the restatement of comparatives. Practical expedients applied by the Trust on initial application are detailed in the leases accounting policy in note 16.

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

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

	Group 1 April 2022 £000	Trust 1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**671**	**433**
Impact of discounting at the incremental borrowing rate		
IAS 17 operating lease commitment discounted at incremental borrowing rate	**671**	**433**
Less:		
Commitments for short term leases	(295)	(295)
Other adjustments:		
Public sector leases without full documentation previously excluded from operating lease commitments	23,717	23,717
Finance lease liabilities under IAS 17 as at 31 March 2022	105	105
Total lease liabilities under IFRS 16 as at 1 April 2022	**24,198**	**23,960**

Note 36 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 2022	**7**	**467**	**123**	**6,932**	**7,529**
Change in the discount rate	-	(157)	-	(923)	**(1,080)**
Arising during the year	-	-	-	3,135	**3,135**
Utilised during the year	(4)	(22)	-	(1,334)	**(1,360)**
Reversed unused	-	-	-	(1,450)	**(1,450)**
Unwinding of discount		8		21	**29**
At 31 March 2023	**3**	**296**	**123**	**6,381**	**6,803**
Expected timing of cash flows:					
- not later than one year;	-	22	123	5,354	**5,499**
- later than one year and not later than five years;	-	82	-	109	**191**
- later than five years.	3	192	-	918	**1,113**
Total	**3**	**296**	**123**	**6,381**	**6,803**

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 36.1 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 2022	**7**	**467**	**123**	**6,832**	**7,429**
Change in the discount rate	-	(157)	-	(923)	**(1,080)**
Arising during the year	-	-	-	2,749	**2,749**
Utilised during the year	(4)	(22)	-	(1,247)	**(1,273)**
Reversed unused	-	-	-	(1,448)	**(1,448)**
Unwinding of discount		8		21	**29**
At 31 March 2023	**3**	**296**	**123**	**5,984**	**6,406**
Expected timing of cash flows:					
- not later than one year;	-	22	123	4,957	**5,102**
- later than one year and not later than five years;	-	82	-	109	**191**
- later than five years.	3	192	-	918	**1,113**
Total	**3**	**296**	**123**	**5,984**	**6,406**

Note 37 Clinical negligence liabilities

At 31 March 2023, £291,820k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Bolton NHS Foundation Trust (31 March 2022: £402,150k).

Note 38 Contingent liabilities

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(67)	(96)	(67)	(96)
Value of contingent liabilities	**(67)**	**(96)**	**(67)**	**(96)**

Note 39 Contractual capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Property, plant and equipment	10,905	9,944	465	75
Intangible assets	528	419	528	414
Total	**11,433**	**10,363**	**993**	**489**

Note 40 Financial instruments

Note 40.1 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 2023 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 40.2 Carrying values of financial assets

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Trade and other receivables excluding non financial assets	18,744	9,128	18,343	9,462
Other investments / financial assets	-	-	24,136	25,021
Cash and cash equivalents	58,178	56,820	49,239	48,824
Total at 31 March 2023	**76,922**	**65,948**	**91,718**	**83,307**

Note 40.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2023	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Borrowings excluding finance leases	38,136	39,786	38,136	39,786
Obligations under finance leases	19,769	105	33,486	33,052
Trade and other payables excluding non financial liabilities	64,804	48,266	45,345	44,928
Provisions under contract	296	467	296	467
Total at 31 March 2023	**123,005**	**88,624**	**117,263**	**118,233**

Note 40.4 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 40.5 Maturity of financial liabilities

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £0	31 March 2022 £000
In one year or less	74,389	52,466	51,111	50,293
In more than one year but not more than five years	29,582	12,646	18,695	18,702
In more than five years	19,413	23,512	47,457	49,238
Total	**123,384**	**88,624**	**117,263**	**118,233**

Note 41 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 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
PDC as at 1 April	135,436	121,119	135,436	121,119
PDC received *	31,950	14,317	31,950	14,317
PDC as at 31 March	**167,386**	**135,436**	**167,386**	**135,436**

* In 2022/23 the Trust received £31,950 PDC for the following schemes:

	£000
TiF Theatres & Paediatric Hub	14,572
CDC	11,779
CDC (National Diagnostic bid)	3,190
Frontline Digitalisation	1,290
LIMs	873
Breast screening	190
Audiology	56
Total	**31,950**

Note 42 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 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	£000	£000	**£000**	£000
Revaluation reserve at 1 April	**27,779**	27,489	**27,779**	27,489
Impairments	**(371)**	(1,257)	**(371)**	(1,257)
Revaluations	**6,148**	1,547	**6,148**	1,547
Transfers by absorption: transfers between reserves	468	-	**468**	-
Transfer to retained earnings on disposal of assets	(95)	-	**(95)**	-
Asset disposal	**-**	**-**	**-**	-
Revaluation reserve at 31 March	**33,929**	27,779	**33,929**	27,779

Note 43 Losses and special payments

	2022/23		2021/22	
Group and Trust	**Total number of cases**	**Total value of cases**	**Total number of cases**	**Total value of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Bad debts and claims abandoned	73	99	1	1
Stores losses and damage to property	13	58	1	40
Total losses	**86**	**157**	**2**	**41**
Special payments				
Ex-gratia payments	35	239	26	14
Total special payments	**35**	**239**	**26**	**14**
Total losses and special payments	**121**	**396**	**28**	**55**

There were no cases exceeding £300k.

These amounts have been prepared on an accruals basis but exclude provisions for future losses.

Note 44 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 College	-	2	-	-
Bolton Octagon	-	4	-	-
Leeds Teaching Hospital NHS Trust	2	136	3	66
University of Salford	135	28	19	5
University of Manchester	134	4	44	-
Holt Doctors	-	6	-	-
Bolton Community Volunteer Service	-	31	-	-

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	5	-	-	2
Health Education England (HEE)	13,677	-	144	1
UK Health Security Agency	-	-	10	21
NHS Greater Manchester ICB	284,992	94	1,964	208
NHS England	51,049	74	12,129	534
Other ICBs & NHS England	88,121	-	-	7
Bridgewater Community Healthcare NHS Foundation Trust	175	-	14	-
Greater Manchester Mental Health NHS Foundation Trust	1,138	237	1,141	44
Lancashire Teaching Hospitals NHS Foundation Trust	69	8	98	19
Manchester University NHS Foundation Trust	985	2,045	412	1,009
Northern Care Alliance NHS Foundation Trust	393	876	296	681
Tameside and Glossop Integrated Care NHS Foundation Trust	39	5	39	-
Wrightington, Wigan and Leigh NHS Foundation Trust	98	514	117	175
The Christie NHS Foundation Trust	395	405	266	513
East Lancashire Hospitals NHS Trust	137	14	77	79
St Helens and Knowsley Hospital Services NHS Trust	88	2	74	246
Other NHS Providers	455	816	344	332

Note 44 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	-	38,407	14	3,759
NHS Resolution	-	18,712	-	-
NHS Property Services	-	2,617	59	-
Community Health Partnerships	-	4,882	-	876

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	24

Note 45 Analysis of Whole of Government balanaces

	2022/23			
	Income transactions	Expenditure transactions	Current receivables	Current payables
	£000	£000	£000	£000
English NHS Foundation Trusts	3,646	4,643	2,608	2,685
English NHS Trusts	326	279	270	413
Health Education England	13,677	-	144	1
Department of Health and Social Care	5	-	-	2
NHS England and English ICB's	424,162	168	14,093	749
UK Health Security Agency	-	-	10	21
Special Health Authorities	-	18,833	-	164
DH NDPBs	55	277	-	-
Other DH bodies	-	7,499	59	876
Total NHS	**441,871**	**31,699**	**17,184**	**4,911**
Other WGA bodies - Local Government	16,708	2,291	104	96
Other WGA bodies - Central Government	124	66,651	3,452	10,206
Total	**458,703**	**100,641**	**20,740**	**15,213**

Note 46 Events after the reporting date

There are no events after the reporting date to report.