NHS

University Hospitals of Leicester

NHS Trust

Annual Report & Accounts

2021-22

Contents

Welcome from the Trust Chair and CEO 3

About Us 5

- Our Purpose, Activities and Environment 5
- Our Structure 6

Our Performance Report 9

- Our performance overview 9
- Purpose of the overview section 9
- Our Performance 10
- Commission for Quality and Innovation payment framework (CQUINS) 11
- Improving Quality 12
- Patient Experience 16
- Complaints 22
- Parliamentary Health Service Ombudsman 24
- Patient Information and Liaison Service (PILS) 24
- Health and Safety 25
- Security Management 27
- Freedom of Information 28
- Reconfiguration 28

Our Sustainability Report 30

Our Accountability Report 32

- Corporate Governance Report 32
- Annual Governance Statement 39
- Our Staff and Remuneration Report 54
- Our Parliamentary Accountability and Audit Report 74

Our Finance Report 81

- Statements of responsibility 81
- Overview of 2020/21 financial position 83
- 2021/22 Accounts 91

Overview

Welcome from the Trust Chair and CEO

John MacDonald joined the University Hospitals of Leicester NHS Trust as Chair in April 2021 and I re-joined UHL as Chief Executive in October 2021. Both of us were immediately impressed by the clinical services and the personalised care that many patients receive, the strength of education and the world class research which takes place at UHL. UHL has 18,000 fantastically committed colleagues who are working hard to make things better for patients.

Despite this, we both recognise that patient outcomes and the experience of working at UHL can and should be much better than they are. For a range of reasons, patient outcomes are more variable than they should be and the experience of working at UHL is variable. Few colleagues at UHL have the same experience of working here as me and that needs to change quickly.

We would like to start by recognising the impact of my Chief Executive predecessors at UHL. John Adler was CEO of UHL for seven years retiring in September 2020 and Rebecca Brown was Interim CEO between March 2020 and October 2021. We are grateful for their efforts.

We know we have a huge amount to do at UHL. From a challenged starting point, waiting times for emergency, cancer, diagnostic and planned care have deteriorated more than they should have done over the last couple of years. Recent findings from the Care Quality Commission have identified areas for improvement. We accept these findings, and improvements will happen. We are in the NHSE national Recovery Support Programme because of our financial governance. The NHS Staff Survey findings for the last seven consecutive years report that less UHL colleagues than the national average would recommend us a place to work or receive care.

As I have written above, however, there are many great people who choose to work at UHL. Our colleagues are our greatest asset. We firmly believe we will sustainably improve the Trust by changing the culture and making it easier for people to do the right thing. While this will take time and it is reliant on all of us taking responsibility, cultural change starts at the top and is a key priority for the Trust Board.

As well as making improvements within UHL, we are also focussed on working effectively and responsibly outside of the Trust. We are firmly committed to the Leicester, Leicestershire and Rutland Integrated Care System and we want to strengthen our relationships with our communities, NHS partners, local authorities, three local universities, voluntary and charitable sector and private enterprise.

John and I are delighted to be at UHL and we are grateful for the efforts of so many colleagues in 2021/22. We hope we can stabilise UHL and we believe the future will be better. And as Barack Obama said; “Better is good”.

Richard Mitchell
Chief Executive

11 May 2023

John MacDonald
Trust Chair

11 May 2023

About us

Our purpose, activities and environment

We are one of the largest NHS Trusts in the country and our contribution to our communities goes beyond direct health. We are the largest employer in our region, we educate and train the staff of the future, we push research boundaries and with our £1bn turnover we are an economic engine for the wider East Midlands and beyond.

We deliver more than 120 NHS services to people across Leicester, Leicestershire, Rutland and beyond. The people in our hospitals, the Leicester General, Glenfield, the Leicester Royal Infirmary and the Alliance community hospitals, combine to look after more than one million patients every year.

To further develop our workforce, we have established strong partnerships with the University of Leicester and De Montfort University to support recruitment and provide world-class teaching for the next generation of doctors, nurses and healthcare workers.

Leicester's Hospitals are recognised world-wide for treatment in diabetes, cardio-respiratory disease, cancer, kidney function and vascular surgery, to name a few. We are home to one of the National Institute for Health Research Biomedical Centres, which brings together hospital and university expertise to create state-of-the-art services for our patients.

In 2019/20 we launched our new 'Becoming the Best' strategy which sets out revised quality and supporting priorities for the Trust, for the next three years. Published in April 2019, our 'Becoming the Best' quality improvement strategy unites all our staff in a shared understanding of the specific priorities we want to achieve and how we will go about achieving them.

There are five quality priorities and six supporting priorities. Our priorities were designed to be three year priorities and we recognise that there is much work still to be done to achieve our goal of 'Becoming the Best' for every patient, every time.

During 21/22 there were significant changes to Board members including but not limited to the Chair and Chief Executive. Once all appointments onto the Board are completed, a review of the Trust Strategy and values would commence.

The NHS Constitution and our values

We created our values with staff ten years ago and made sure that they were in line with, and supported, the NHS Constitution, which was put in place by the Government on 1 April 2010.

The NHS Constitution establishes the principles and values of the NHS in England. It sets out rights to which patients, public and staff are entitled, and pledges which the NHS is

committed to achieve, together with responsibilities which the public, patients and staff owe to one another to ensure that the NHS operates fairly and effectively.

All NHS bodies and private and third sector providers supplying NHS services are required by law to take account of this Constitution in their decisions and actions. The Constitution will be renewed every ten years, with the involvement of the public, patients and staff. It is accompanied by the Handbook to the NHS Constitution (www.gov.uk/government/news/nhs-constitutionand-handbook-updated) that is renewed at least every three years, setting out current guidance on the rights, pledges, duties and responsibilities established by the Constitution. These requirements for renewal are legally binding. They guarantee that the principles and values which underpin the NHS are subject to regular review and recommitment; and that any government which seeks to alter the principles or values of the NHS, or the rights, pledges, duties and responsibilities set out in this Constitution, will have to engage in a full and transparent debate with the public, patients and staff.

There have since been a number of amendments and updates to the constitution. The latest version can be found on the gov.uk website. Here at Leicester's Hospitals we will always endeavour to make sure that we live up to the pledges set out in the Constitution.

We will ensure that we 'live our values' and create an environment where those who do not can be challenged to ensure that we provide better care.

Our structure

Our organisation is formed of seven Clinical Management Groups that are supported by a number of corporate directorates. The Clinical Management Groups are:

- Cancer, Haematology, GI Medicine and Surgery
- Emergency and Specialist Medicine
- Musculoskeletal and Specialist Surgery
- Clinical Support and Imaging
- Renal, Respiratory and Cardiovascular
- Theatres, Anaesthesia, Pain and Sleep
- Women's and Children's

The corporate directorates are:

- Corporate Medical
- Corporate Nursing
- Corporate Operations
- Finance
- People and Organisational Development
- Estates and Facilities University Hospitals of Leicester
- Strategy and Communications
- Information Management and Technology
- Corporate and Legal Affairs

The CMGs and corporate directorates are overseen by our Executive Team and Trust Board.

Our Year in Review

New home for children's heart centre
In August '21 the internationally-renowned East Midlands Congenital Heart Service moved from its Glenfield home to a new £14.5 million purpose-built facility in the Kensington Building, at Leicester Royal Infirmary.

The space contains a cardiac ward, outpatient and diagnostic department, cardiac paediatric intensive care unit (PICU), cardiac theatre, catheter lab, as well as parents' accommodation, allowing families to receive the best possible care in the region.

The move means the service is now co-located with other children's services at Leicester's Hospitals and is part of our wider vision to realise the first single-site children's hospital in the East Midlands.

LRI celebrates 250 years
September '21 marked 250 years since the opening of the Leicester Royal Infirmary.
Far from the hustle and bustle of today's building, the original hospital had just 40 beds and just £2,762 to build.

Originally the site had its own brewery- with both staff and patients served the beer, a vegetable patch and animals, all taken care of by the then porter.

Admission was on Tuesdays and only after the board had met in the pub and approved patients.

£500k given to good causes across LLR
Leicester Hospitals Charity was chosen to be the lead coordinator of the NHS Charities Together Community Partnership Grant.

Almost £500,000 was distributed to seven projects across the patch, with the aim of helping communities build back after Covid and reducing the burden on the NHS.

A wide range of community and voluntary projects were chosen, from those that work with children and young people to those that help support vulnerable older people. The money will be used to help tackle isolation, poor mental health and to fund research into health inequalities.

Improving care for patients with liver disease
After initial funding through a CQUIN, the first and only hepatology nurse specialist, Heidi Whitsey, has started the process ensuring that patients admitted with liver cirrhosis (an historically disadvantaged and stigmatised patient group) receive the same high standards of care as other patients with chronic conditions managed by large teams of specialist nurses.

Her work to standardise the treatment patients receive within their first 24 hours in hospital has started to help reduce very high mortality rates associated with the condition and ensure all staff know what processes should be followed.

She's done this by working closely with staff across the hospital, ensuring the liver cirrhosis guidelines have been uploaded to the hospital's online NerveCentre system and developing close relationships with partner organisations like the charity Turning Point.

Heidi also works closely with patients and their families to help prepare them for when they return home from hospital.

Since she came into post in 2020, the relative risk of dying (actual rate v expected rate) from an alcohol-related liver disease admission has fallen from 130% (one of the 19 highest risk acute trusts in the UK) to 97.6% (better than average). However, as liver disease is the biggest cause of death in those aged between 35 and 49 and is expected to overtake cancer as the leading cause of premature death (currently the third) due to an alarming five-fold increase in these deaths in recent years, further challenges are ahead.

Helping patients get earlier diagnosis of lung cancer
Our lung cancer doctors and radiologists have worked together to significantly cut waiting times through the pandemic.

A shift to daily triages and speedier referral to testing, supported by our respiratory physicians, more lung cancer specialist nurses and admin staff, and specialist palliative care staff to support people with advanced lung cancer, has created a far smoother journey for patients, all within the two week wait targets.

The team has also continued to lead the way in many pioneering national and international oncology research studies to further improve patient care. UHL undertakes Phase 1 clinical trials in the HOPE Unit. Multiple Phase 2/3 clinical trials across all tumour sites are being continually recruited to.

Our Performance Report

Our performance overview

Welcome to our 2020/21 Annual Report which describes our achievements during the year, how we are governed, our finances and performance in key areas. Our Quality Account, which is published on our website: www.leicestershospitals.co.uk provides a more in-depth report on how we are continuously improving quality, safety and patient experience in our hospitals.

Purpose of the overview section

This overview section gives a short summary of our organisation, our purpose, our objectives and what we have achieved against them, our performance against national standards and the key risks to our delivery. You will also find details of our sustainability plans and performance.

Our Performance

Performance Against National Standards					
Performance Indicator	**Target**	**2021/22**	**2020/21**	**2019/20**	**Trend**
A&E (UHL) - Total time in A&E (4hr wait)	95%	59.4%	73.1%	69.2%	▼
A&E (UHL+ LLR UCC) - Total time in A&E (4hr wait)	95%	70.3%	81.1%	78.8%	▼
12 hour trolley waits in A&E	0	3,836	32	59	▼
MRSA (All)	0	1	1	5	◀▶
Clostridium Difficile*	91	116	78	104	▼
% of all Adults who have had VTE Risk Assessment on admission to hospital	95%	98.4%	98.6%	98.2%	▼
Never Events	0	9	7	2	▼
SHMI mortality	≤100	103	101	96	▼
Urgent operations cancelled twice (UHL+Alliance)	0	8	8	0	◀▶
Operations cancelled for non-clinical reasons on or after the day of admission	1.0%	1.7%	0.9%	1.3%	▼
RTT - Incompletes 92% in 18 weeks	92%	48.0%	51.1%	76.5%	▼
RTT 52 weeks+ wait (incompletes)	0	15,994	12,625	35	▼
Diagnostic test waiting times	1.0%	43.6%	35.9%	4.6%	▼
Cancer: 2 week wait from referral to date first seen - All Cancers	93%	75.9%	92.3%	93.0%	▼
Cancer: 2 week wait from referral to date first seen - For symptomatic breast patients	93%	48.7%	95.4%	95.9%	▼
All Cancers: 31 day wait from diagnosis to first treatment	96%	83.0%	91.1%	92.8%	▼
All Cancers: 31 day for second or subsequent treatment - Anti cancer drug treatments	98%	98.3%	99.6%	99.6%	▼
All Cancers: 31 day for second or subsequent treatment - Surgery	94%	64.7%	71.7%	81.1%	▼
All Cancers: 31 day for second or subsequent treatment - Radiotherapy treatments	94%	88.6%	93.4%	87.1%	▼
All Cancers: 62 day wait for first treatment from urgent GP referral	85%	51.3%	68.5%	73.6%	▼
All Cancers: 62 day wait for first treatment from consultant screening service referral	90%	55.6%	63.9%	84.0%	▼

▲ Green upward arrow = Improvement against previous year **(Target achieved)**
▼ Green downward arrow = Deterioration against previous year **(Target achieved)**
▲ Red upward arrow = Improvement against previous year **(Target failed)**
▼ Red downward arrow = Deterioration against previous year **(Target failed)**

Transferring Care Safely (GP Concerns)

The Transferring Care Safely process continues to be an important mechanism in engaging with commissioners and primary care to improve safety and experience in the transfer of patients between secondary and primary care. In 2021/22 the service has seen a 109% increase in GP concerns.

The most frequent GP concern theme is “integrated care and discharge” with over half of concerns falling into this category. The main issue is UHL staff making inappropriate requests of GPs under the Consultant-to-Consultant Policy and Transferring Care Safely Guidelines. The most common examples are asking GPs to make referrals or requests for

GPs to complete urgent tests (defined in the Transferring Care Safely Guidelines as <3 weeks post discharge).

COVID restrictions and operational pressures have limited the engagement opportunities for the team with Clinical Management Groups. The main focus of 2022/23 work is to engage with services seeing the highest numbers of inappropriate requests to GPs to understand and improve the prevalence of these incidences.

The team have also continued to support the UHL outgoing GP concerns process allowing UHL clinicians to report transfers of care that could be improved from primary care. Numbers of reported concerns have increased since the launch evidencing engagement and appetite.

Number of GP concerns by financial year

Year	Number of GP Concerns
2017/18	592
2018/19	1,275
2019/20	1,107
2020/21	774
2021/22	1,555

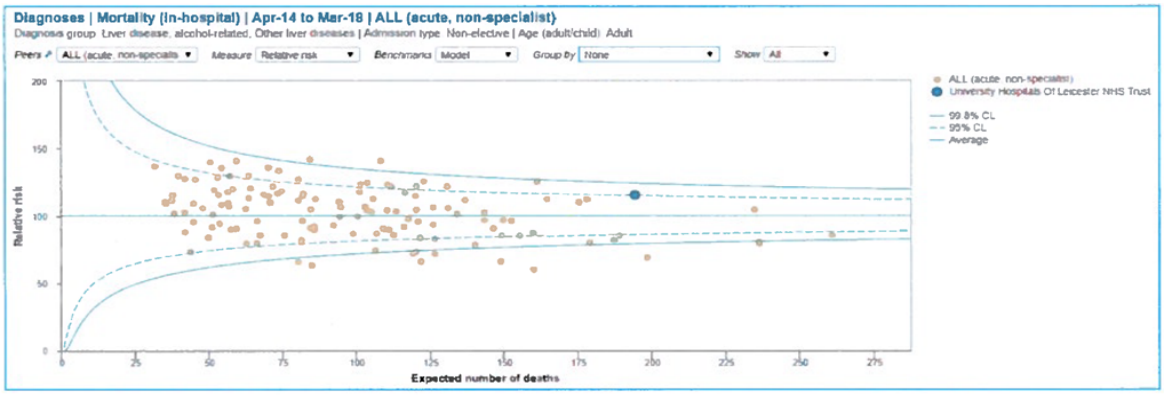
CQUINS

As per national guidance on finance and contracting arrangements block payments to the Trust during the pandemic included CQUIN. The CQUIN scheme was therefore suspended for 2021/22.

We have, however, continued to support those CQUINS that were part way through a contracted arrangement. These were:

The Hepatitis C Network – Successes included winning the 'Person-Centred Care' award at the Royal College of Physicians' Excellence in Patient Care Awards.

The Cirrhosis Care Bundle – Crucial to the success of this sequin was the appointment of our first ever Hepatology Nurse Specialist. She has helped develop and introduce a Cirrhosis Care Bundle assessment tool on NerveCentre and her work has also contributed to a decrease in mortality rates for patients admitted with alcohol-related liver disease (see table).



Severe Asthma
This service now provides three biologic clinics (with another due to start soon) and co-ordinates and monitors a growing number of patients who self-administer biologic medication at home. Outpatient assessments are completed for new and follow-up patients to aid diagnosis and monitor disease progression/response to therapy.

We also provide an in-reach service to help support discharge and reduce re-admissions for severe asthma patients admitted to hospital.

Treatment of community-acquired pneumonia
Continued support of the pneumonia team has enabled and embedded a systematic review of patients admitted with a primary diagnosis of community acquired pneumonia (CAP) within the admission units across UHL.

Improving quality

Emergency Preparedness Resilience and Response (EPRR)
The patients and communities we serve rightly expect us to be there for them when they need it, irrespective of the circumstances we face. As such, we must do all that we can to ensure that we are well prepared to respond to any disruptive challenges or emergencies that we might face, which could be anything from extreme weather events, outbreaks of infectious disease, terrorist attacks, or major transport accidents.

Key achievements for 2021/22

COVID-19 continued to dominate the EPRR agenda this year. We continued to review our plans to best respond to new variants which resulted at times with an increase in the number of patients with COVID-19 presenting at our hospitals, as well as an increase in staff absences as staff with the infection had to self-isolate.

Alongside this, we continued to deliver our part in rolling out the COVID-19 vaccine. As of 31 March 2022 we had proudly given out more than a quarter of a million doses to patients, staff and visitors.

Aside from COVID-19, we reviewed and updated many of our existing emergency plans including those for taking care of friends and relatives of casualties in an emergency and for certain infectious diseases.

We assess our preparedness on an annual basis against NHS England's Core Standards for Emergency Preparedness, Resilience and Response – the minimum standards all NHS organisations must meet. The outcome of the self-assessment for 2021/22 showed that of the 46 applicable standards, we were fully compliant with 41 and partially compliant with the remaining five. Overall, we were assigned an assurance rating of 'substantially compliant.'

Aims for 2022/23
Our Emergency Planning Team will continue to work hard to support our response to and recovery from COVID-19. In addition, we will continue to deliver against our work programme which aims to achieve full compliance against the core standards.

Streamlining emergency care
We continue to work with partners across Leicester, Leicestershire and Ruland to improve pathways of care, with initiatives including:

- An increase in Urgent Treatment Capacity – resulting in a reduction in overcrowding for patients in our emergency department. We will be expanding this pilot in 2022/23.
- An increase in Same Day Emergency Care Services (GPAU) – in 2021/22 we have expanded our facility to enable more patients to be treated on the same day and to enable more patients to be brought back to next day 'hot clinics', thereby reducing admissions / overnight stay in hospital.
- Transitioning rehabilitation services to the community – providing services away from just our acute site.
- Creating additional Acute medical unit capacity.
- Adapting space and clinical pathways to address the challenges of COVID-19.

We failed to meet the Emergency Department 4-hour standard in 2021/22, with performance of 59.4% (type 1 and 2) and 70.3% (type 1-3 across LLR) against a target of 95%. Emergency Department attendances (type 1 and 2) increased by 82,826, (46.7%) when compared to 2020/21, which led to increased pressures on our emergency pathways. 12-hour trolley waits saw an increase from 0 in April 2021 to 900 in March 2022 as a consequence of the increased pressures post pandemic.

Our strategy for improving emergency care performance focusses on ensuring patients receive the right care in the right place at all times. This includes:

1. Flow **into** UHL: ensuring that patients only present at our hospitals when they need to, and ensuring appropriate provision of services outside hospital to meet patient needs.
2. flow **through** UHL: ensuring a quick access to diagnostics and specialities, so that patients can get the care they need to be readied for discharge.

3. flow **out of** UHL: ensuring timely discharge when patients are ready to go home or to onward care.

Part of these priorities include addressing the demand and capacity gap which we have in certain services across the health and care system currently.

Within our organisation, progress will be overseen by the Operations and Performance Board Sub-Committee.

Innovation in recovery/renewal
At the end of 21/22 there were 117,844 patients on the RTT waiting list of which 1,479 were waiting over 2 years. 48% of patients treated in March 22 were within 18 weeks against the national standard of 92%.

We are working to reduce the length of time patients wait for their planned appointments, diagnostics and procedures. We recognise that innovation in our approach is required in order to treat people in a more timely way.

In-patient elective care:

- **Vanguard theatres**

Following Elective Recovery Funding (ERF) secured in November 2021 a Vanguard theatre was commissioned on our Glenfield Hospital Site in January 2022, to provide additional operating theatre capacity. The Vanguard offers two theatres, recovery and ward space for the specialties of pain, urology, breast, gynaecology, general surgery and orthopaedics, utilising the resource primarily for day case surgery.

- **Mutual Aid**

Identifying patients who are clinically appropriate and willing to transfer to an alternative provider to speed up their care. This is to support the region's longest waiting patients to have equitable access to treatment at specialty level across the integrated care system and region, which may involve some patients choosing to change to another provider or being asked to transfer to another provider for earlier treatment.

- **Elective hub**

In 2021/22 we began to explore further potential for developing ring-fenced elective capacity, a project which there will be significant further work on in 2022/23.

Outpatient care:

Initiatives include:

- Patient Intuitive Follow Up (PIFU) – empowering patients to take control of their follow-up care, only seeking advice/intervention when necessary.

- Triaging referrals – services are triaging their referrals and returning them to the GP with advice and guidance if able to do so, ensuring that patients can quickly get access to the advice they need
- Introduction of 'Dora' an automated telephone assistant, currently being used with orthopaedic and spinal patients to see if they still require surgery and, also, being used for Long Covid follow-up patients to see if they still require their appointment.
- AccuRx – is being used to help validate our waiting lists by messaging patients, asking if they still require their appointment/treatment, asking if they would be happy to be seen outside Leicester (service specific), and advising them about the average waiting time (service specific).

Cancer Care:
As we exit the Covid pandemic, the Trust's performance within Cancer Care has not been at the level we aspire to. 2021/22 saw unprecedented levels of referrals into cancer services with the trust failing to deliver on both the 31 day and 62 day cancer targets. UHL continued strong performance in the Faster Diagnosis Standard, achieving the 75% standard in numerous months in the year.

We worked collaboratively with tertiary partners to support access to specialist services and to share best practice.

Various initiatives have been implemented, including:

- Using Skin Analytic solutions in dermatology: patients with suspected skin lesions, on referral by their GP, may receive an appointment in the community where a nurse will take a picture of the lesion and, using artificial intelligence software, will determine if it is benign or if further review by a dermatology specialist is required.
- East Midlands Cancer Alliance (EMCA) funding has supported investment in administrative and nursing posts across cancer to improve pathway management and patient experience
- Introduction of a 'non-specific symptoms cancer pathway' with dedicated pre-diagnosis Cancer Nurse Specialist (CNS) to support patients before diagnosis and improve engagement
- Implementation of CNS triage to support patients to get the right test first time. This has been successful in prostate and is to be rolled out in lower gastroenterology (LOGI).
- Implementation of straight to test pathways in prostate, brain, LOGI, head and neck, and hepatobiliary are helping to reduce the time to first appointment and time to diagnosis for patients.
- The Optimal Lung Pathway (direct access service) is supporting earlier diagnosis of lung cancers to improve patient outcomes. This has allowed GPs to refer directly in for a chest x-ray, potentially on the same day. The benefits have been to detect lung cancers much earlier supporting patient outcomes across LLR.
- LLR health inequalities programme examining bowel cancer survival rates in the county which will improve outcomes for patients in the future.
- Extension of genetic testing across LLR (i.e. Lynch Syndrome, Galleri Trial) to support earlier detection of cancers and improve outcomes for patients. Lynch Syndrome is

an inherited genetic condition whereby around half of people with it develop colorectal cancer as well as other cancers such as endometrial, gastric, urothelial and brain cancers. It is recommended that all people with colorectal cancer and endometrial cancer are tested for Lynch Syndrome. This has been rolled out via our Pathology department.

Patient care and experience

Involving patients and the public

The Patient and Public Involvement team have overseen a number of initiatives and events this year, including:

- Our Patient Partner group has continued to participate remotely, with members sitting on a number of boards and committees, as well as taking part in serious incident reviews and reviewing patient literature
- Our series of monthly public talks 'Leicester's Marvellous Medicine', has continued via Teams. Attendance is good and we've seen a steady growth in participants. The talks provide a great opportunity for members of the public to hear more about our services and ask questions directly to senior clinicians.
- We've conducted a number of virtual public engagement sessions. For example, sessions exploring patients' experience of remote hospital appointments and restrictions to hospital visiting. We have also run a programme of events focusing on carers' experiences of hospitals during the pandemic and how we could improve this in the future. Our Patient & Community Engagement and Patient Experience teams have now drawn up a draft action plan which is being shared with carers and groups supporting them to seek their further involvement.
- Regular communications with our 6,500+ public members continues, with regular news updates produced, as well as the opportunity to participate in research projects and attend online events.
- Our Youth Forum, for those aged 13-12, continues to meet regularly. Themes emerging from the Forum this year related to food and how patients and families can improve their influence over the service they receive. The Children's Hospital team also plan to cover issues relating to transition from paediatric to adult services.
- Our Renal service has a virtual patient group which was established at the beginning of the pandemic. This group meets monthly via the MS Teams platform.
- Our Head of Strategy & Planning convenes a monthly meeting to drive progress on the Accessible Information Standard. The Membership of this group includes representatives from voluntary sector organisations supporting people with sensory disabilities as well as interpreter providers.
- The Trust continues to convene its Equality Advisory Group, which meets quarterly. Membership of the group comprises representatives from protected characteristic groups and organisations. For example, faith communities are represented, as are LGBTQ+ communities and organisations supporting people with sensory disabilities. Members are asked to share experiences of hospital services from their communities.

Aims for 2022/23
Now that COVID restrictions have eased, our Patient and Community Engagement team are increasing their face-to-face engagement with local communities and organisations. We remain keen to listen to our local population and involve them in the ongoing improvement of our services.

Work is also ongoing to develop and implement an engagement strategy for the new Integrated Care Partnership. The strategy will introduce closer collaboration on patient and public engagement across local NHS organisations.

Improving the experience of our patients, their families and carers
We actively seek feedback from patients, family members and carers. The feedback provides us with a rich picture of patient experience whilst also offering insight into what matters most for our citizens. Importantly, it allows us to develop plans for patient and public engagement to support quality improvement and service redesign.

Over the last 12 months there has been some disruption to the collection of feedback from patients, families and carers due to the pandemic. Despite this, 206,000 feedback forms / surveys were received from patients.

Friends and Family Test
The Friends and Family Test is a nationally set question which is asked in all NHS hospitals and in all our clinical areas.

"Thinking about our ward…Overall how was your experience of our service"

The patient, family member or carer is then given the opportunity to explain why they have given their answer.

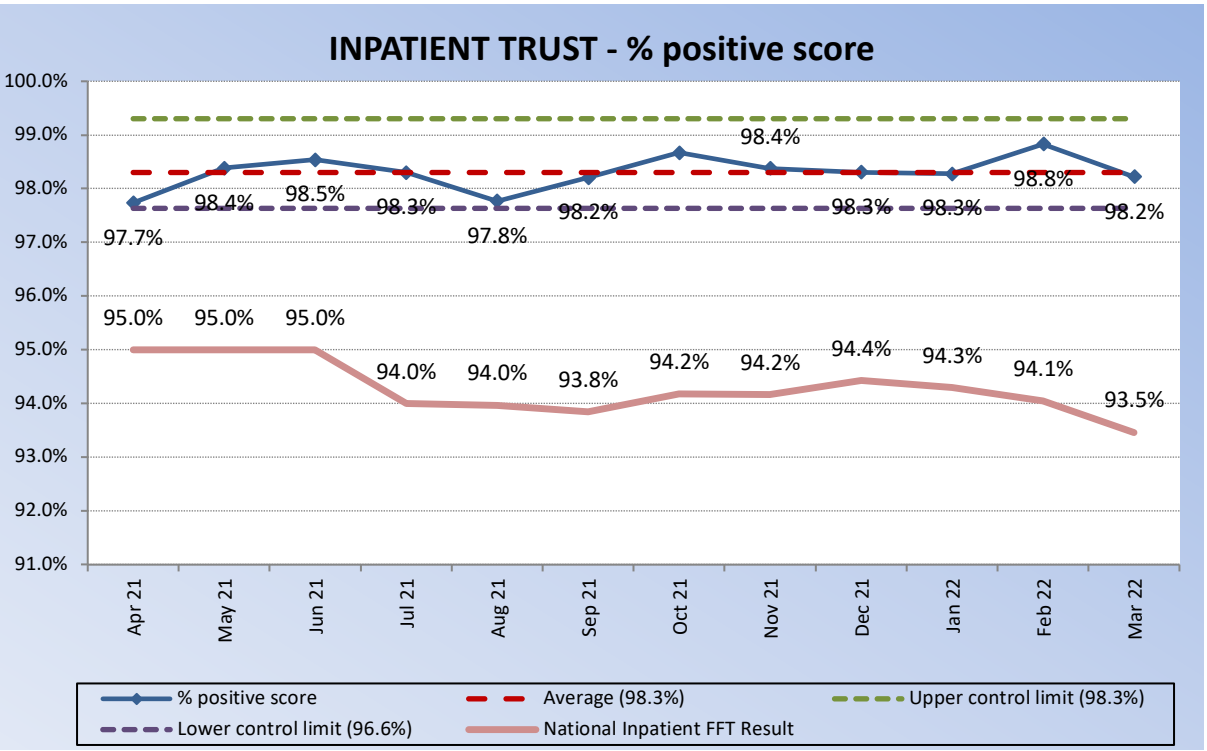
"Please tell us why you gave this answer and anything we could have done better"

The responses received are monitored at ward/department level in real time, which helps to shape and plan improvements.

To ensure the collection of the Friends and Family Test is inclusive, it is also available in the top three languages in Leicester, Leicestershire and Rutland; Guajarati, Punjabi and Polish. There is also an easy read version for those with a learning disability, visual impairment, literacy issues or whose first language is not English.

We monitor the Friends and Family Test to see how services are viewed from a patient's perspective. The Friends and Family Test score can be viewed at ward or clinic level but also at Trust level.

The graph below illustrates that, despite the challenges associated with COVID-19, patients and their families show high levels of satisfaction compared to the national picture:



Patient Involvement and Patients Experience Assurance Committee (PIPEAC)
During 2021/22 PIPEAC met six times. The purpose is to monitor the implementation of the Patient Feedback Driving Excellence Priorities 2021-23, disseminate lessons to be learned and promote good practice across the organisation. The group monitors delivery of the strategy ensuring timeframes and action plans are completed.

The committee is a lively forum fostering debate and discussion focused upon feedback from patients and their families and how effectively the organisation is responding to it. The committee often features patient stories and has community representation including Healthwatch and The Carers Centre within the membership.

Feedback from families and carers
Despite visiting restrictions due to the pandemic, we were still very keen to hear the views of families and carers and needed to be innovative in connecting with families and carers during this time. A postal survey was sent out with patients on discharge, allowing families to provide feedback using a prepaid envelope. This was available on our website, in paper form on the wards or on an iPad in some areas where family members were present.

During 2021/22 there was 996 Family, Carers and Friends feedback forms received and this feedback has been widely shared.
Patient Feedback Driving Excellence boards are used in the clinical areas to display the changes or actions staff have taken.

STAR Award

The STAR Award is a new initiative from patient experience to celebrate clinical areas achieving positive results and continued improvement in their local patient experience surveys.

Presented twice a year, it is given to the clinical area with the most improvement in six months.

Congratulations Ward 24, LRI, for winning our first STAR Award.

Patient Recognition Awards
This award was launched in April 2018 and recognises staff who patients, family and carers have mentioned by name in the Friends and Family Test feedback comments. During 2021/22 there were nine winners: five nurses, three doctors and a midwife.
E-Greeting service and messages to loved ones

The service offers relatives and friends of patients the ability to send a short message to their loved ones via the Trust website and the sender chooses a picture to attach to the card.
During this period the e-greetings service has been enhanced and further publicised through social media and the website.
E-greetings are processed by Volunteer Services at least twice a day and delivered by staff, a volunteer or through the post room at each site.
During 2021/22 Volunteer Services have delivered 1,758 e-greetings to patients. Patient Experience visited wards and departments to speak with patients who had received an e-greeting to gather feedback on this service and received very positive feedback.

Ward Accreditation
The Assessment and Accreditation Framework was launched in 2019 to ensure patients are receiving safe, high-quality nursing and midwifery care.
It provides nursing and midwifery teams with a set of standards and indicators to consistently achieve with the end goal of achieving ‘Caring at its best’ blue ward status.

It has created a great sense of pride and ownership amongst our nurses and midwives and their colleagues.

The framework is designed around 15 standards that align to the Care Quality Commission's essential standards. Each ward is assessed against each of the individual standards and given a red, amber or green (RAG) rating for each. When combined, an overall ward RAG rating is produced. For a ward to be recommended for consideration to a panel for 'Caring at its Best' they must have achieved green status on three consecutive occasions.

Key achievements

The programme was paused from December 2020 due to the pandemic but relaunched in May 2021. 87 assessments were completed in total – resulting in four blue wards to date.

Staff feedback has been consistently positive:

"The wards are tidier and more organised since Assessment and Accreditation was introduced"

"We look forward to our assessments because it lets everyone know how they are doing and that their hard work is paying off."

Tackling inequalities in healthcare

We have worked with partner organisations to lead the way in clinical research into the health inequalities highlighted by COVID-19.

Work by the Centre for Ethnic Health Research (CEHR) was crucial to building the evidence base for the disproportionate experience of health inequalities by ethnic minority groups.

We also have two pilot programmes which have been highlighted as examples of best practice in addressing health inequalities by NHS England:

- A significant reduction in patients not attending for chronic respiratory disease appointments was achieved after we identified that many of those missing appointments belonged to deprived communities and/or were of ethnic minority backgrounds. A team was put together to proactively contact patients from these groups and offer support with things like travel costs and car parking, as well as offering longer appointments where needed. So far, did not attend (DNA) rates among these patients are less than 1% compared to 50% for patients who were not contacted. The pilot has now been extended to Lower GI surgery.
- The STORK programme, led by Professor Tilly Pillay, was set up in response to the higher infant mortality rate seen within our communities. This is a parent education programme that works to ensure new parents, usually of very unwell babies, are informed of the risks associated with infant mortality and the steps that they can take to reduce these risks. The impact of this programme has been demonstrated by its adoption by other trusts and local authorities across the Midlands

Aims for 22/23

- To recruit to our new Director of Health Equality and Inclusion role. The successful candidate will have a broad remit but key priorities include restoring access to care inclusively, accelerating preventative programmes and improving digital inclusion.

Providing spiritual and religious care

The chaplaincy service is here to support all who face emotional distress arising from questions concerning life, death, meaning and purpose – questions that can be acutely highlighted by illness and suffering. We offer pastoral, spiritual and religious support to patients and families 24 hours-a-day, seven-days-a-week and our diverse team which includes Christian, Hindu, Muslim, Non-religious and Sikh members ensure patients can ask to speak to someone "like-minded".

During the year our chaplains made around 7,400 visits to patients – an invaluable part of our commitment to delivering "Caring at its Best" and supported about 1,300 staff.
The chaplaincy service works with healthcare professionals across the hospitals to deliver holistic care and is on hand to support patients or families in urgent situations, especially around the time of death.

"You truly went above and beyond to help one of our families. The care, compassion and time you gave to ensure the family had a chance to say their goodbyes, be a part of a service, and the on-going support afterwards is to be commended." (Above and Beyond nomination)

This year we have provided the chaplaincy service to Leicestershire Partnership NHS Trust, seeing patients and families across mental health units and community hospitals of Leicester, Leicestershire and Rutland.

On each of our sites we provide multi-faith chapels and prayer facilities for patients, visitors and staff to use. These provide a place for prayer or quiet contemplation and are in constant use. With plans for the new St Lukes Chapel and spiritual care space at Leicester Royal Infirmary being developed we have maintained a clear focus on enhancing the experience of our service users from across the diverse faith and belief communities of the area.

In Summer 2021 we held a service across all three UHL sites remembering those staff that had died during the pandemic. This service was recorded and shared with those across the Trust who could not attend.

Aims for 2022/23

- To deliver high quality pastoral, spiritual and religious care to patients, staff and relatives.
- To enhance the provision of Chaplaincy services as an integrated part of excellent patient-centred holistic care.
- To improve accessibility of Chaplaincy services for patients, staff and relatives across our hospital sites.

Complaints

Complaints are a vital source of information about the views of our patients, families and carers about the quality of our services and standards of our care. Our Patient Information and Liaison service (PILS) administer all formal complaints and concerns. General Practitioner (GP) concerns received from the CCGs are now managed by the UHL GP Services team.
During the second wave of COVID-19 there was no ability for a national 'pause' on the complaint process so an executive decision was made in UHL to manage complaints differently, based on 'urgency' between 11 January 2021 and 6 April 2021. These periods of inactivity and reduced activity have significantly affected performance for response times for this year due to recovery of the backlog.
Our Patient Information and Liaison Service (PILS) administer all formal complaints and concerns. Between April 2021 and March 2022, we received 2,264 formal complaints and 1,515 concerns.

The table below shows the top five themes of formal complaints received by the Clinical Management Groups from 1 April 2021 to 31 March 2022;

Table showing top 5 subjects of formal complaints by CMG for 2021/22

The top 5 subjects account for 1,708 (75%) of the 2,268 formal complaints received.

We achieved 49%, 46% and 36% for the 10, 25 and 45 day formal complaints performance respectively (data correct at 22/07/2022). This is a decrease in performance against last year and is a symptom of the COVID-19 recovery and organisational operational pressures.

Top 5 Primary Subjects of Formal Complaints by CMG – 2021/22 Financial year	CMG 1 (CHUGGS)	CMG 2 (RRCV)	CMG 3 (ESM)	CMG 4 (ITAPS)	CMG 5 (MSK & SS)	CMG 6 (CSI)	CMG 7 (W&C)	The Alliance	HR	Corp. Medical	Corp. Nursing	EFM	Finance	Corp. Operations	IM&T	Total
Medical Care	123	60	167	12	85	15	104	10	0	0	0	0	0	0	**0**	**576**
Communication	36	27	99	12	54	30	35	5	1	2	3	3	1	3	**1**	**312**
Staff attitude	42	24	78	4	53	35	36	5	0	2	0	14	2	1	**0**	**296**
Appointments including delays & cancellations	39	30	36	15	91	22	34	6	0	1	0	0	0	0	**0**	**274**
Waiting times	47	10	40	7	78	20	38	8	0	0	1	1	0	0	**0**	**250**
Top 5 Total	**287**	**151**	**420**	**50**	**361**	**122**	**247**	**34**	**1**	**5**	**4**	**18**	**3**	**4**	**1**	**1708**
Overall Total	**355**	**238**	**656**	**63**	**396**	**153**	**282**	**35**	**2**	**11**	**5**	**57**	**3**	**11**	**1**	**2,268**
Top 5 Total as % of Overall Total	**81%**	**63%**	**64%**	**79%**	**91%**	**80%**	**88%**	**97%**	**50%**	**45%**	**80%**	**32%**	**100%**	**36%**	**100%**	**75%**

Improving complaint handling

Again throughout 2021/22, we suspended participation in the Independent Complaints Review Panel process due to the COVID-19 pandemic.

Usually, this panel reviews a sample of complaints and reports back on what was handled well and what could have been done better. This feedback is used for reflection and learning with the PILS team and with the CMGs.

This year to improve our complaints process and handling of cases we have been successful in our application for NIHR funding to undertake an Artificial Intelligence (AI) project which aims to automate key parts of the complaints system. It uses a technique called "Natural Language Processing" to automatically identify the key issues in the complaint, allocate them to the appropriate person for a response, collate responses for human sign-off, and to alert the hospital staff when new patterns of sub-optimal care are identified (or known patterns re-emerge).

In 2022/23, we will:

- Reinstate and refresh the Independent Complaints Review Panel process
- Progress with the AI project work
- Have a focus on providing earlier verbal resolution and less written responses for resolution
- Aim to reduce the number of re-opened complaints by speaking with complainants where possible to identify key points for resolution

Reopened complaints

Number of formal complaints received, and number reopened by quarter April 2019 to March 2022

	Formal complaints received	Formal complaints reopened	% resolved at first response
2019/20 Q1	620	62	90%
2019/20 Q2	645	85	87%
2019/20 Q3	660	82	88%
2019/20 Q4	609	81	87%
2020/21 Q1	234	39	83%
2020/21 Q2	419	77	82%
2020/21 Q3	474	62	87%
2020/21 Q4	354	35	90%
2021/22 Q1	498	63	87%
2021/22 Q2	560	67	88%
2021/22 Q3	581	70	88%
2021/22 Q4	632	84	87%
Total	6,286	807	87%

Parliamentary Health Service Ombudsman

This year we have again had less investigated and less upheld cases by the Parliamentary Health Service Ombudsman, further details are provided below.

Parliamentary Health Service Ombudsman complaints – April 2016 to March 2022

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Awaiting outcome validation	0	0	0	1	1	4	**6**
Enquiry only – no investigation	1	1	0	1	3	3	**9**
Investigated – not upheld	12	6	4	0	0	0	**22**
Investigated – partially upheld	3	3	3	3	1	0	**13**
Investigated – upheld	1	0	0	0	0	0	**1**
Total	**17**	**10**	**7**	**5**	**5**	**7**	**51**

Patient Information and Liaison Service (PILS)

Feedback from our patients, their families and carers gives us a valuable opportunity to listen and examine our services and make improvements. The Patient Information and Liaison Service is an integral part of the corporate patient safety team. The PILS service acts as a single point of contact for members of the public who wish to raise complaints, concerns, compliments or have a request for information.

The service is responsible for coordinating the process and managing the responses once the investigations and updates are received. They are contactable by a free phone telephone number, email, website, in writing or in person (although during this year due to COVID-19 restrictions this option has been suspended).

PILS activity (formal complaints, verbal complaints, requests for information and concerns) by financial year – April 2015 to March 2022

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Formal complaints	1574	1467	1886	2260	2534	1476	2264
Verbal complaints	1449	1152	856	492	192	218	308
Requests for information	439	321	143	118	168	113	210
Concern (excludes CCG & GP)	755	1288	1146	1170	1488	1001	1515
Total	9% increase	0.20% increase	4.70% decrease	0.20% increase	8.60% increase	35.90% decrease	53.02% increase

Health and safety

Key points of note this year include:

- Over 6,000 members of staff have been tested for FFP3 masks (high grade masks used in respiratory protection that must be fitted to the individual).

FFP3 Masks
(High grade masks used in respiratory protection that must be fitted to the individual).

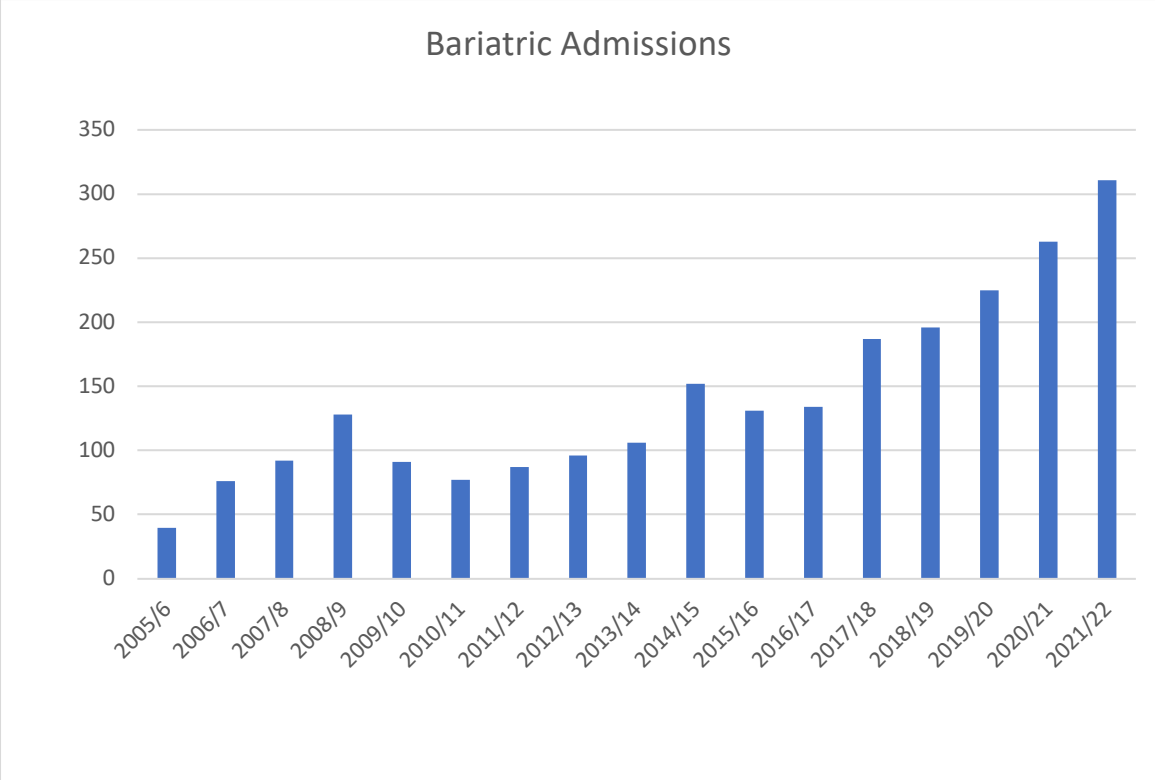
The Fit-Mask Testing programme has now tested over 6,000 members of staff with vast majority being tested on 2 different products. We are about to recruit a "Fit-Mask" testing team with recruitment beginning in August this year. The rationale for this is due to the huge commitment placed on Infection Prevention colleagues through COVID 19 Pandemic.

Despite the fact that this has been a huge logistical challenge, I am pleased to report that this has been very successful to date and the following briefly outlines what we are doing at present. To date, together with some of the CMG testing we have been testing staff on the 8 different FFP3 masks. Those that haven't passed have been tested on various types of respirators or are wearing the respirator hoods. In all there are about 9000 Fit Mask Tests performed in 2021/22.

- We were below the expected number of RIDDORS incidents by 14 this year. RIDDORS stands for Reporting of Injuries, Diseases and Dangerous Occurrences Regulations and is the most serious category of health and safety incident. The Trust entered the third wave of COVID infections and 11 incidents in the winter months is much less than we would normally see during this time. Comparing this to the previous years it is clear to see that overall, the issue of Health and Safety in the workplace at UHL has improved considerably since 2007. This is also the lowest RIDDOR figure since 2014/15.

- No HSE enforcement notices were issued against UHL during this period

- The manual handling team have been working closely with colleagues on the recovery of fallen patients. There are now dedicated falls recovery kits on all three major sites, supplemented by training sessions on the use of this equipment.
- Over 1000 pieces of new Patient Surface equipment were purchased and installed this year. This includes the replacement of all the Delivery Suite Beds across the three maternity sites, the purchase of eight new bariatric beds, the purchase of over 800 specialised "low" electric profiling beds.
- The number of bariatric admissions (patients whose bodyweight exceeds 28 stone/180kg) continues to increase and has been particularly noticeable over the past two years. The graph below represents the number of patients seen by year since 2005. The figure for 21/22 reached a record 311 admissions. Bariatric demand has trebled over the last 10 years and is still likely to increase putting evermore pressure on the service.


Bariatric Admissions
350
300
250
200
150
100
50
0
2005/6
2006/7
2007/8
2008/9
2009/10
2010/11
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17
2017/18
2018/19
2019/20
2020/21
2021/22

Security Management

DATIX Reported Assaults by type 2014 -2022.					
	Physical		Verbal		Total
2014/15	238		276		514
2015/16	226		284		510
2016/17	261		239		500
2017/18	249		243		492
	Physical PC	Physical	Verbal PC	Verbal	
2018/19	212	97	38	242	589
2019/20	249	41	18	247	545
2020/21	131	24	13	153	321
2021/22	177	16	11	197	401
Assaults per 1000 staff 2021/22	10.41	0.94	11.5	0.64	23.5

Since March 2018 Physical and Verbal assaults have been classified under headings where the patient's condition (PC) was deemed to be a factor in the assault. This includes stress, confusion, disorientation, delirium, prescribed medication effects, dementia, etc.

This year's figures are more representative due to the relaxation of the prevailing COVID-19 restrictions. As such we have seen an increase in patient throughput and general footfall. However, this is still a better annual figure than seen from 2014 to 2022 even though there has been an increase in overall assaults of nearly 20%.

It is really pleasing to see the reduction in physical assaults. With 16 recorded incidents it represents the lowest since April 2018. This trend is a result of many factors that have been developed over the last five years including better training, body cameras, improved CCTV, and better relationships with the police and partner agencies

New Standards for Security Training
The Care Quality Commission have now incorporated the Restraint Reduction Network Standards (RRN) across the NHS which means that the training delivered to Acute NHS Staff must have a minimum level of national accreditation.

Vincent Smith, Local Security Management Specialist, and Ian Hubbard, Conflict Management Trainer, have completed the DMI trainer for trainer course with Midlands partnership NHS Trust (MPFT). The course complies with the BILD accreditation ensuring the future provision for all physical courses planned and delivered within the University of Hospitals Leicester will now be compliant with all the required standards around physical skills training including being mapped against the new NHS England violence and aggression reduction standards

Sanctions

We continue to exercise powers of sanction against members of the public due to behaviour issues. This continues our commitment to maintaining a safe and secure environment for staff and patients. The partnership between Leicestershire Police and UHL continues to thrive and has been enhanced with contacts for Leicester City Council. This collaborative approach to crime reduction has led to addressing criminal behaviour, preventing crime and an increase in prosecutions against perpetrators. In 2021/22 we issued 14 behavioural orders.

Freedom of Information

The Freedom of Information (FOI) Act was passed on 30 November 2000, and the full Act came into force on 1 January 2005. The Act applies to all public authorities including us. The purpose of the Act is to allow anyone, no matter who they are, to ask whether information on a particular subject is held by us and to ask to see that information. The Act sets out exemptions from that right, covering any information that may not have to be released.

In 2021/22, we received 715 Freedom of Information requests and/or requests for environmental information, an increase of 16% compared to 2020/21. We responded to 94% of these requests within the statutory 20 working-day deadline in 2021/22. Many of these requests contained multiple individual questions, with information needing to be obtained from more than one clinical or corporate area of our organisation.

Some information (such as Trust Board papers, and policies and guidelines) is already publicly available on our FOI publication scheme – you can find this on our external website in the Freedom of Information section.

If requesters are unhappy with the Trust's response to their FOI request, they can ask us to look at it again through an internal review process. If they are still unhappy after that, they have the right to ask the Information Commissioner to review the Trust's handling of and response to their FOI request. Of the FOI requests received by UHL in 2021/22, 8 requesters asked for an internal review to be done. We have not been notified of any 2021/22 requesters having asked the Information Commissioner to look at our response.

Reconfiguration Programme

Healthcare needs have changed hugely since many of our buildings were originally opened. Our reconfiguration programme is aimed at making better use of them, across all our sites, to reflect the needs of patients and staff, providing both with a better experience.

It aims to:

- Improve the balance between demand and capacity, providing patients with better access to the care they need.

- Reduce duplication or triplication of maternity and acute services across our three sites ensuring that skilled clinical colleagues looking after acute patients and families, notably in specialties where there are national shortages, are focussed on particular sites providing safer care.
- Improve the built environment – both for colleagues to provide care in and for patients to receive care – with new hospitals and facilities on all three sites.
- Help the more efficient use of financial resources to provide better value care.

During the past year, the Programme has achieved the following:

- East Midlands Congenital Heart Centre

In August 2021, the paediatric East Midlands Congenital Heart Centre relocated from the Glenfield Hospital (GH) site to the Kensington building at the Leicester Royal Infirmary (LRI). This move now completes Phase 1 of the Children's Hospital. Phase 2 will provide a single location for children's services, eliminating the need for staff to move between sites, resulting in extra clinical time to offer our young patients and their families.

- Interim Intensive Care Unit (ICU) and Associated Services

The ICU and associated services were moved from our Leicester General (LGH) site to the LRI and GH sites. In total, there were 24 separate moves; each one interlinked with the next, requiring extremely tight planning and controls to be in place.

In April 2021, Transplant and Nephrology Inpatient Services relocated followed by Hepatobiliary, and General Surgery and Inpatient, to the Royal in May.

The project delivered the following:

- 64 new beds in three new wards at GH
- 10 more ICU beds at GH
- MDT meeting rooms at GH
- A new Interventional Radiology department
- Multiple ward refurbishments at LRI and GH
- Upgraded pharmacy and ultrasound services at LRI and GH
- Development of Theatre Arrivals Area and Daycase unit at LGH
- Development of clean treatment rooms for Urology at LGH

The ICU Project delivered the biggest and most complex service moves in our history. The moves were made up of a series of significantly huge tasks, and we would like to thank everyone who was involved in making this happen.

Richard Mitchell

Chief Executive
11 May 2023

Our Sustainability Report

Key achievements

A huge amount of work has been going on across all our sites this year to help us meet our sustainability goals. Highlights include:

- One of the biggest areas of focus for us this year has been improving the management of waste across our sites. We have appointed a full-time Head of Sustainability, whose primary focus for the first 12 months is to improve waste compliance across the estate.
- A full audit of waste compliance has been carried out and an action plan is being created to guide improvement work over the next 12 months. This will include a dedicated behavioural change scheme, upskilling our workforce, and delivering bespoke training at ward and department level. A dedicated waste manager will be appointed to oversee this work.
- Another key area of focus has been making it easier for staff to choose alternative ways to travel to work. The Choose How You Move website allows staff to plan their routes from their homes to the workplace. We've also introduced improved bike parking facilities, provided monthly bike marking and maintenance events, and provided free membership to ebike docks for all staff.
- The Hospital Hopper buses are now fully electric and free for staff to use.
- We've built relationships with partners in various areas of the city to enable the creation of a number of free-to-use park and ride sites, while a number of offers have been introduced for our staff on bus, train and cycle routes across the area.
- A car park strategy group, chaired by the CEO, has been set up to try to improve all car parking matters.

Aims for 2022/23

Our plans for the next year include:

- We're hoping to increase the frequency of the Hospital Hopper to every 15 minutes, as well as extending the opening hours of park and ride sites.
- A free city centre bus loop is planned.
- A new ebike dock will be opening at Leicester General Hospital.
- The introduction of flexible car park permits, an overhaul of parking processes and the introduction of night time escorts to and from football club car parks, as well as the manning of the NCP car park

Research and Innovation

This year, we recruited 23,536 participants into research, of these, over 9,900 took part in studies on the diagnosis, treatment and prevention of Covid-19.
Despite the pandemic, there were 526 open studies, including 60 commercial trials.
Our researchers have published 1,227 papers in peer-reviewed journals, and we continue to see a year-on-year increase in volume since 2018 when the total output was 873 papers.
At the start of the pandemic, it was necessary to pivot existing research activity towards COVID-19 research studies that were badged as Urgent Public Health (UPH) by the

Department of Health and Social Care (DHSC). All research staff were re-deployed to COVID-19 studies. Non-COVID research, other than essential studies that supplied treatments to patients unavailable outside clinical trials, such as cancer, were paused. We have put considerable energy into restoring our research pipeline in line with DHSC guidance for Restart, Recovery and Growth (RRG). The recovery is still ongoing.
Research and innovation generated £18.6m of income in 2020/21, of which £3 million came from commercial research. Like all NHS trusts, the pandemic has had an adverse effect on non-COVID commercial research income because many commercial trials were halted, and in these studies, income follows recruitment. Our strategy is to prioritise commercial trials as we restart non-COVID research in the coming year.

Some research highlights for the year include:

- We are delighted that the NIHR Clinical Research Facility (CRF), originally awarded in 2017, received an uplift in funding for the next five years to £4.1m. This increase in funding reflects the hard work of the team and the growing portfolio of early phase (experimental) research which Leicester can support and deliver
- The NIHR Patient Recruitment Centre (PRC): Leicester opened in late 2020 to facilitate late phase commercial trials. The PRC is a preferred provider for IQUVIA and Parexcel as well as Sanofi and NovoNordisk. It has now developed a large and growing portfolio of commercial studies and is spearheading the commercial recovery in R&I.
- 12-month data for Leicester lead PHOSP study was released in December 2021and demonstrated that people who were hospitalised with COVID-19 and continued to experience symptoms at five months show limited further recovery one year after hospital discharge.
- A multi-themed study in 400,000+ UK adults has revealed a clear link between walking pace and a genetic marker of biological age. Confirming a causal link between walking pace and leucocyte telomere length (an indicator of biological age) we estimate that a lifetime of brisk walking could lead to the equivalent of a 16-year younger biological age by midlife. Given the simple measurement and low heritability; self-reported walking pace could be a pragmatic target for interventions.
- Professors Tim Coats and Sally Singh were awarded NIHR Senior Investigator Awards.
- Individuals and teams from the Trust – together with their University of Leicester clinical research colleagues who work in the NIHR Leicester Biomedical Research Centre – were nominated and shortlisted in all six categories at the NIHR Clinical Research Network (CRN) East Midlands Research Awards 2021 and were declared the winner in five. Including: outstanding achievement by an individual, outstanding achievement by a team, putting patients first, excellent example of collaborative working and special recognition award for contribution to COVID-19 research.

Richard Mitchell
Chief Executive

11 May 2023

Our Accountability Report

The Accountability Report sets out how we meet key accountability requirements to Parliament. It comprises three key sections:

The Corporate Governance Report sets out how we have governed the organisation during 2020/21, including membership and organisation of our governance structures and how they support achievement of our objectives. The report includes the Directors' Report, the Statement of Accounting Officer's Responsibilities and the Governance Statement.

The Remuneration and Staff Report sets out our remuneration policies for non-executive directors and executive directors and how these policies have been implemented for the reporting period, including salary information and pension liabilities. It also provides further detail on remuneration and staff.

The Parliamentary Accountability and Audit Report brings together key information to support accountability to Parliament, including a summary of fees and charges, contingent liabilities and the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

Corporate Governance Report

Trust Board

Our Trust Board comprises thirteen voting members: a Trust Chair, seven Non-Executive Directors, and five Executive Directors. A number of other Executive Directors also attend Board meetings in an advisory (non-voting) capacity. During 2021/22 there were a number of changes to the Trust Board which is described in more detail in the Annual Governance Statement.

The table below provides information on the declarations of interests entries made by Trust Board members and attendees for the year 2021/22.

NAME	POSITION	INTEREST(S) DECLARED
Karamjit Singh *until mid-April 2021*	Trust Chairman	• Family member is a partner in Lakeside Practice, Corby • Member of the UHL Corporate Trustee Board
John MacDonald *From mid-April 2021*	Trust Chairman	• Chair, Derbyshire Integrated Care Board (October 2021) • Independent Chair, Derbyshire Joined Up Care ICS (until October 2021) • Member of the UHL Corporate Trustee Board
Vicky Bailey	Non-Executive Director	• Family member has an offer of employment at PwC September 2021 • Council Member, University of Nottingham • Chair of University of Nottingham Audit and Risk Committee • Member of the University of Nottingham Remuneration Committee • Associate of the LGA • Fellow of QNI • Member of the UHL Corporate Trustee Board

NAME	POSITION	INTEREST(S) DECLARED
Professor Philip Baker *until 31.7.21*	Non-Executive Director	• Minority shareholder of Metabolomic Diagnostics – spinout company seeking to develop predictive tests for pregnancy complications • Trustee of 'The Bridge' – a charity providing for the homeless in Leicester • Dean of Medicine, Pro-Vice-Chancellor and Head of the College of Life Sciences, University of Leicester • Member of the UHL Corporate Trustee Board
Rebecca Brown *until 3.10.21*	Acting Chief Executive	• Trustee of The Bridge (Homelessness to Hope) Charity, Leicester • Member of the UHL Corporate Trustee Board
Andrew Carruthers	Chief Information Officer	• Confirmed no declarations to be made
Becky Cassidy *from 7.2.22*	Director of Corporate and Legal Affairs	• Confirmed no declarations to be made
Rob Cooper *from November 2021 – 23.1.22*	Interim Chief Financial Officer	• Member of the UHL Corporate Trustee Board
Col (Ret'd) Ian Crowe *until 31.1.22*	Non-Executive Director	• Member of the Royal British Legion • Brother by award of the Order of St John (not active in the organisation) • Member of the Royal Army Medical Corps Association • Member of the UHL Corporate Trustee Board • County Member of the Leicestershire and Rutland Reserve Forces and Cadets Association
Moira Durbridge *from July 2021*	Director of Quality Transformation and Efficiency Improvement	• President of the Patient Safety Section of the Royal Society of Medicine. Full RSM subscription is paid personally but the costs of any attendance at those meetings whilst holding a Council position are met by the Section
Gaynor Collins-Punter *from 1.2.22*	Associate Non-Executive Director	• Outside employment with Rolls Royce plc
Carolyn Fox *until 6.12.21*	Chief Nurse	• Member of the UHL Corporate Trustee Board
Mr Andrew Furlong	Medical Director	• Member of the UHL Corporate Trustee Board
Gilbert George *from 1.8.21 – 4.2.22*	Interim Director of Corporate and Legal Affairs	Confirmed no declarations to be made
Kathryn Gillatt *until 31.1.22*	Associate Non-Executive Director	• Non-Executive Director Chair of Audit Committee, NHS BSA • Non-Executive Director and currently Chair of Audit Committee, Patient and Public Committee and Equality & Diversity Committee, Nottingham CityCare Partnership Ltd • Non-Executive Director of subsidiary company TGH Ltd, University Hospitals Leicester NHS Trust
Steve Harris *from 1.1.22*	Non-Executive Director	• Outside employment with Travis Perkins (and shareholder) • Company Directorships: The BSS Group Ltd; Keyline Civils Specialist Ltd; CCF Ltd; Rudridge Ltd • Member of the UHL Corporate Trustee Board
Dr Andrew Haynes *from June 2021 – 31.1.22*	Adviser to the Trust Board	• Special Advisor to Sherwood Forest Hospitals Trust on a 12 month contract 3 days a month (Paid) • An advisor to the Faculty of Medical Leadership and Management (FMLM) working 1 day a week (Paid)

NAME	POSITION	INTEREST(S) DECLARED
		• Registered as an expert with Academic Health Solutions (no work undertaken as of June 2021)
Dr Andrew Haynes *from 1.2.22*	Non-Executive Director	• Member of the UHL Corporate Trustee Board • Special Advisor to Sherwood Forest Hospitals Trust on a 12 month contract 3 days a month (Paid) • An advisor to the Faculty of Medical Leadership and Management (FMLM) working 1 day a week (Paid) • Registered as an expert with Academic Health Solutions
Lorraine Hooper *from 24.1.22*	Chief Financial Officer	• Member of the UHL Corporate Trustee Board
Andrew Johnson *until 31.1.22*	Non-Executive Director	• Elected Chairman of Morcott Parish Council, Rutland • Elected Parish Councillor of Morcott Parish Council, Rutland • Non-Executive Chair of Trust Group Holdings Ltd • Member of the UHL Corporate Trustee Board • Trustee & Non-Executive Director of NEBOSH, a registered charity (from 1st June 2020) • Director of Fight 4 Rutland Ltd, a company limited by guarantee (from 5th June 2020)
Darryn Kerr	Director of Estates and Facilities	• Confirmed no declarations to be made
Simon Lazarus *until 29.10.21*	Chief Financial Officer	• Non-Executive Director of Trust Group Holdings Ltd • Member of the UHL Corporate Trustee Board
Jon Melbourne *from 31.1.22*	Chief Operating Officer	• Member of the UHL Corporate Trustee Board
Eleanor Meldrum *from 6.12.21*	Acting Chief Nurse	• Corporate Trustee for Leicester Hospitals Charity • Honorary Professor for the Faculty of Health and Life Sciences, De Montfort University (unremunerated)
Debra Mitchell *until 31.12.21*	Acting Chief Operating Officer	• Member of the UHL Corporate Trustee Board
Richard Mitchell *from 4.10.21*	Chief Executive	• Member of the UHL Corporate Trustee Board • Chair East Midlands Cancer Alliance • Chair Midlands Regional Talent and Leadership Board • Occasional consultancy work (value is less than £500 per year)
Ian Orrell *until 31.12.21*	Associate Non-Executive Director	• Independent (non-political) Chair of the Audit Committee at Northampton Borough Council
Ballu Patel	Non-Executive Director	• Member of the UHL Corporate Trustee Board (and Chair of the UHL Charitable Funds Committee) • Outside employment with RNIB
Professor Thompson Robinson *from 1.8.21*	Non-Executive Director	• Member of the UHL Corporate Trustee Board • Outside employment with University of Leicester (Pro Vice-Chancellor and Head of the College of Life Sciences, Dean of Medicine)
Joanne Tyler-Fantom *from December 2021*	Acting Chief People Officer	Confirmed no declarations to be made

NAME	POSITION	INTEREST(S) DECLARED
Stephen Ward *until 31.7.21*	Director of Corporate and Legal Affairs	Confirmed no declarations to be made
Mark Wightman	Director of Strategy and Communications	Confirmed no declarations to be made
Mike Williams	Non-Executive Director	• Board Member and Trustee Midlands Arts Centre Limited • Chair Midlands Arts Centre Trading Company Limited • Board Member Warwickshire County Cricket Club Ltd • Chair Warwickshire Cricket Board Limited • Board Member and Trustee Chamberlain Highbury Trust Limited • Trustee Badley Memorial Trust • Member of the UHL Corporate Trustee Board
Jeff Worrall *from 1.2.22*	Associate Non-Executive Director	• Outside employment with NHSE/I until 31.3.22
Hazel Wyton *until 2.2.22*	Chief People Officer	Confirmed no declarations to be made

Non Executive Directors have a corporate responsibility for ensuring that the Trust is run efficiently, economically and effectively. They will scrutinise the executive management's performance in meeting agreed goals and objectives and monitor the reporting of performance.

Non-Executive Directors must satisfy themselves about the integrity of financial information and that financial controls and a sound system for the management of risk are in place. They will seek to establish and maintain public confidence in the Trust and must be independent in judgement and constructively challenge and help develop decisions and strategy for which they bear equal responsibility.

Our Non-Executive Directors bring independence, external perspectives, skills and challenge to strategy development and hold our Executive Team to account for the delivery of the strategy.

They actively support and promote a healthy culture for the organisation and this reflects in their own behaviour. It is imperative that they provide visible leadership in developing a healthy culture so that staff believe Non-Executive Directors provide a safe point of access to the Board for raising their concerns.

Some of the Non-Executive Directors chair key committees that support accountability. Individual Non- Executive Directors are members of specific Board Committees, although papers for all those meetings are available to all Non-Executive Directors, if they wish to see them.

The Trust Chair and all Non-Executive Directors are members of the Trust's Remuneration Committee.

These are the Committee Chairing roles that our Non-Executive Directors carried out over the last 12 months:

Board member	Chairs
John MacDonald (Trust Chairman)	Trust Board
Vicky Bailey	Quality Committee
Col (Ret'd) Ian Crowe (UHL Non-Executive Director up to January 2022)	People, Process and Performance Committee (this Committee then became the 'People and Culture Committee' in February 2022)
Steve Harris	Finance and Investment Committee (from February 2022)
Dr Andrew Haynes	Reconfiguration and Transformation Committee
Andrew Johnson (UHL Non-Executive Director up to January 2022)	Finance and Investment Committee
Ballu Patel	Charitable Funds Committee (up to February 2022) People and Culture Committee (from February 2022)
Professor Thompson Robinson	Charitable Funds Committee (from April 2022)
Mike Williams	Audit Committee Operations and Performance Committee Remuneration Committee

Trust Board and Committee attendance 2021/22

Name	Public Trust Board (max = 8)	Audit Committee (max = 10)	Finance and Investment Committee (max = 12)	Operational Performance Committee (max = 3)	People and Culture Committee *(formerly People, Process and Performance Committee)* (max = 10)	Quality Committee *(formerly Quality and Outcomes Committee)* (maximum = 11)	Reconfiguration and Transformation Committee (max = 2)	Charitable Funds Committee (max = 6)
*Karamjit Singh – Chairman **(1)**	1/1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
*John MacDonald – Chairman **(2)**	7/7	N/A	N/A	2/3	N/A	N/A	N/A	N/A
*Vicky Bailey – Non-Executive Director	8/8	8/10	N/A	0/1	9/10	10/11	N/A	N/A
*Professor Philip Baker – Non-Executive Director **(3)**	4/4	N/A	N/A	N/A	N/A	4/4	N/A	N/A
Gaynor Collins-Punter – Associate Non-Executive Director **(4)**	2/2	N/A	N/A	2/2	N/A	1/2	1/1	N/A
*Ian Crowe – Non-Executive Director **(5)**	6/6	8/8	3/3	N/A	9/9	N/A	0/1	2/2
Kathryn Gillatt – Associate Non-Executive Director **(6)**	4/6	N/A	9/10	N/A	9/9	6/6	N/A	N/A
*Steve Harris – Non-Executive Director **(7)**	1/2	2/2	2/3	N/A	N/A	N/A	N/A	N/A

Name	Public Trust Board (max = 8)	Audit Committee (max = 10)	Finance and Investment Committee (max = 12)	Operational Performance Committee (max = 3)	People and Culture Committee *(formerly People, Process and Performance Committee)* (max = 10)	Quality Committee *(formerly Quality and Outcomes Committee)* (maximum = 11)	Reconfiguration and Transformation Committee (max = 2)	Charitable Funds Committee (max = 6)
*Dr Andrew Haynes – Non-Executive Director **(8)**	2/2	N/A	6/7	2/3	1/1	10/11	1/2	N/A
*Andrew Johnson – Non-Executive Director **(9)**	6/6	8/8	9/10	N/A	N/A	N/A	0/1	5/5
Ian Orrell – Associate Non-Executive Director **(10)**	6/6	N/A	9/9	N/A	3/3	9/9	N/A	N/A
*Ballu Patel – Non-Executive Director	8/8	2/2	12/12	2/3	10/10	4/5	1/1	6/6
*Professor Tom Robinson – Non-Executive Director **(11)**	4/4	N/A	N/A	N/A	N/A	6/6	1/2	3/3
*Mike Williams – Non-Executive Director	7/8	10/10	11/12	3/3	N/A	2/2	1/1	N/A
Jeff Worrall – Associate Non-Executive Director **(12)**	2/2	N/A	2/2	2/2	N/A	N/A	1/1	N/A
*Rebecca Brown – Acting Chief Executive **(13)**	4/5	N/A	3/3	N/A	N/A	N/A	N/A	N/A
*Richard Mitchell – Chief Executive **(14)**	3/3	N/A	5/5	3/3	N/A	N/A	N/A	N/A
Andy Carruthers – Chief Information Officer	7/8	N/A	N/A	N/A	10/10	N/A	2/2	N/A
Becky Cassidy – Director of Corporate and Legal Affairs **(15)**	1/1	2/2	N/A	N/A	N/A	N/A2	N/A	1/1
*Rob Cooper – Interim Chief Financial Officer **(16)**	1/1	6/6	2/2	N/A	N/A	N/A	N/A	N/A
*Carolyn Fox – Chief Nurse **(17)**	5/6	N/A	N/A	N/A	1/5	6/7	N/A	4/4
*Mr Andrew Furlong – Medical Director	6/8	N/A	N/A	1/3	N/A	10/12	1/2	N/A
Gilbert George – Interim Director of Corporate and Legal Affairs **(18)**	3/3	5/5	N/A	N/A	N/A	N/A	N/A	3/3
*Lorraine Hooper – Chief Financial Officer **(19)**	2/2	2/2	3/3	N/A	N/A	N/A	2/2	N/A
Darryn Kerr – Director of Estates and Facilities	6/8	N/A	N/A	N/A	N/A	N/A	0/1	N/A
*Simon Lazarus – Chief Financial Officer **(20)**	5/5	4/6	6/7	N/A	N/A	N/A	N/A	0/3
*Jon Melbourne – Chief Operating Officer **(21)**	2/2	N/A	2/2	2/2	N/A	N/A	N/A	N/A
*Eleanor Meldrum – Acting Chief Nurse **(22)**	2/2	N/A	N/A	2/3	1/1	3/4	N/A	1/2
*Debra Mitchell – Acting Chief Operating Officer **(23)**	4/6	N/A	7/10	1/1	7/9	N/A	N/A	N/A
Joanne Tyler-Fantom – Acting Chief People Officer **(24)**	2/2	N/A	N/A	N/A	1/1	N/A	N/A	N/A
Stephen Ward – Director of Corporate and Legal Affairs **(25)**	4/4	3/3	N/A	N/A	N/A	N/A	N/A	1/2
Mark Wightman – Director of Strategy and Communications	5/8	N/A	N/A	N/A	N/A	N/A	N/A	4/6
Hazel Wyton – Director of People and Organisational Development **(26)**	3/7	N/A	N/A	N/A	8/9	N/A	N/A	N/A

*****Voting members

Notes:-

(1) until mid-April 2021
(2) from mid-April 2021
(3) until end July 2021
(4) from beginning of February 2022
(5) until end January 2022
(6) until end January 2022
(7) from beginning of January 2022
(8) from beginning of February 2022
(9) until end of January 2022
(10) until end December 2021
(11) from beginning of August 2021
(12) from beginning of February 2022
(13) until October 2021
(14) from October 2021
(15) from February 2022
(16) from October 2021 – January 2022
(17) until November 2021
(18) from August 2021 – Feb 2022
(19) from January 2022
(20) until October 2021
(21) from January 2022
(22) from November 2021
(23) until January 2022
(24) from November 2021
(25) until end July 2021
(26) until February 2022

Annual Governance Statement

Scope of responsibility

Richard Mitchell, Chief Executive commenced in post in October 2021.
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 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 University Hospitals of Leicester NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in University Hospitals of Leicester NHS Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

The risk and control framework

Capacity to handle risk

Our Board-approved Risk Management Policy describes an organisation-wide approach to risk management, supported by effective and efficient systems and processes. The Policy describes the roles and responsibilities of the Trust Board, its committees, management, and all staff.

The Director of Corporate and Legal Affairs is the Trust Board lead Director for risk management and is supported in this role by the Head of Risk Assurance. Staff are trained to manage risk in a way appropriate to their authority and duties via the risk management awareness training programme.

A new Risk Committee was established in March 2022, chaired by the Chief Executive. The review of risk registers is a standing item on the agenda at the Risk Committee, as well as at CMG performance review meetings held between the Executive Directors and leaders in Clinical Management Groups.

The risk and control framework

We operate a well-established risk management framework which supports robust and effective risk management and has an important role in supporting the Trust to:

- protect our patients from harm and poor outcomes
- support staff to protect their health and wellbeing and ability to do their job

- protect the Trust from unplanned financial outcomes and drive action to address any financial governance issues
- have greater resilience to operational risks
- meet stakeholders' and Regulators' expectations

Risks are identified at both a strategic and operational level from various sources including pro-active risk assessments, strategic planning, performance data, adverse incident reporting and trends, clinical benchmarking and audit data, complaints, legal claims, inquests, patient and public feedback and internal and external assurance from stakeholders and regulators.

Risks which threaten the achievement of our Trust's objectives feature on the Board Assurance Framework and are reviewed at committee meetings. Each strategic risk is assigned to an Executive Director as the risk owner and reviewed monthly. Key controls in place and assurance sources, as well as gaps in controls and assurances, are discussed at committee meetings. A risk report, including the BAF, is reported to, and scrutinised by, the Trust Board on a quarterly basis.

The Trust's strategic risks in 2021/22 (as featured on the Board Assurance Framework) are set out below:

Risk event	**Executive Lead owner**
Adverse impact on quality of care	CN / MD
Failure to meet constitutional performance targets	COO
Inability to ensure adequate staffing capacity, capability, and diversity	CPO
Failure to achieve and maintain financial sustainability	CFO
Failure to maintain / improve existing critical infrastructure	DEF / CIO

Good risk management encourages organisations to take well-managed risks that allow safe development, growth and change. However, it is impossible to eliminate all risks, and every organisation has to live with a degree of risk.

Through its established risk management framework, the aim is that the Trust Board will be able to decide the balance between the cost of mitigating risk, tolerating risk and accepting risk which is not mitigated – in other words, to determine the Trust's risk appetite. The Trust Board accepts that further work is necessary to meet this aim and planned updates to the Trust's Business Strategy and subsequent changes to the Framework will assist in meeting this objective.

<u>Operational Risk Assessment</u>
Risk assessments are scored and recorded in line with the procedure set out in the Risk Management Policy. We use a common risk-scoring matrix to quantify and prioritise risks identified through the risk assessment procedure. It is based on the frequency or likelihood of the event occurring combined with the possible severity or impact of that event. The

arrangement determines at what level in the organisation a risk should be managed and who needs to be assured that appropriate management arrangements are in place.

Completed risk assessments are managed at Clinical Management Group and Corporate Directorate level and, when they give rise to a significant residual risk, they are reported on our risk register.

Our highest rated risk themes on the organisational risk register include:

- Workforce gaps – including recruitment and retention of nursing and medical staff
- Patient flow – including managing demand and capacity in our urgent and emergency care services, and managing the elective care backlogs
- Estate and environment – including managing ageing infrastructure
- Equipment and supplies – including managing ageing equipment and addressing IM&T infrastructure works
- Finances – including managing capital funding and increased costs

In the coming year, we will further refresh the organisational risk register to be web-based making it easier for staff to access and report their risks. We will continue to focus on the most significant risks reported by Clinical Management Groups and Corporate Directorates at the Risk Management Committee.

An integrated workforce and financial planning process is led through the Clinical Management Groups (CMGs) and corporate directorates, supported by their embedded workforce and finance leads. This process ensures that workforce plans are strategically aligned, affordable and in accordance with the plans of our partners in health and social care and Health Education England (HEE) requirements, with whom we work in close partnership.

In developing their plans, we ask CMGs to consider clinical productivity (e.g. reviewing long term bank and agency usage, improved job planning, etc.), workforce redesign, workforce benefits realisation and operational delivery (including seasonal fluctuation and recruitment lead-in times). Systematic reviews and checks have been built into the workforce planning process. These include Board-level workforce plans being reviewed by finance and workforce specialists and triangulated with activity plans; a central consistency review being held against the overall Trust service strategy; review of the plan against previous year projection and plan is also undertaken; and board-specific local QIA processes to measure the patient care and service quality impact of any CIP with a workforce impact.

A gap analysis against the NHS Improvement workforce safeguards has been completed. The Trust is partially compliant with this in nursing and midwifery and a has a plan in place to achieve full compliance.

Delivery of the workforce plan, including performance against agency limits and review of projects that will enable the Trust to deploy its workforce more effectively, are regularly reviewed by the Trust Leadership Team.

The People and Culture Committee is the Trust's responsible governance committee for the workforce strategy and is responsible to the board for:
• assuring that appropriate arrangements are in place to achieve the Trust's strategic priorities for our workforce;
• devoting focused attention in areas where those priorities encourage improvement;
• forecasting future strategic priorities for our workforce, including those shared with our partners; and
• providing the Trust Board with assurance that operational metrics are being reviewed and monitored.

Workforce indicators are also reviewed as part of the People and Culture Committee and as part of the monthly integrated performance report to the board. In accordance with the national quality board requirements, the bi-annual staffing reports assure the Board that staffing processes are safe, sustainable and effective.

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 Regulation.

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

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

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

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 that threaten the achievement of the policies, aims and objectives of the Trust; and
- evaluate the likelihood of those risks materialising and their impact should they be realised and identify mitigating action to manage them efficiently, effectively and economically

The system of internal control has been in place in University Hospitals of Leicester NHS Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Board Effectiveness

There have been fundamental changes to the leadership team during 21/22 including the roles of the Trust Chair and CEO. In early 2022 there were further changes including the Chief Operating Officer, the Chief Financial Officer and the Director of Corporate and Legal Affairs. More changes have taken place into 2022. In addition, 5 newly appointed NEDs joined the Board during 2021.

Following what has been a challenging couple of years for the Trust, in particular the inappropriate oversight of financial management, it was important to reset the leadership to enact sustainable change and improve the culture. The Board is focused on creating a leadership culture which is based on openness, transparency and integrity.

The Board recognises the importance of effectively gauging its performance so that it can draw conclusions about its own strengths and weaknesses and take necessary steps to improve. As a Board we are keen to ensure that we are:

- operating at maximum efficiency and effectiveness;
- adding value; and
- providing a yardstick by which the Board can both measure its own effectiveness and prioritise its activities for the future.

Outside of its formal meetings, the Board has continued to hold development sessions throughout the year. Amongst the topics considered were:

- CIP and Financial Planning
- Reconfiguration
- Winter Plan
- UHL People Strategy
- Managing Risk and Harm

As there is a new Board developing, some posts are already in place, there are a number of development sessions which will be supported by Deloitte to focus on:

- Board Chemistry
- Setting priorities
- Effective Governance
- Board Assurance Framework and Risk Management

<u>Governance Framework</u>

The internal committee structure strengthens our focus on quality governance, finance, people, performance, and risk management. The committees carry out detailed work of assurance on behalf of the Trust Board. The Board gives delegated authority to its sub committees which are described below:

The Audit Committee has responsibility for ensuring that an effective system of integrated governance, risk management and internal control is in place to support the achievement of

our strategic objectives. The Committee receives and considers reports on all aspects of the organisation's systems of internal control, including reports from internal audit, reviews the organisation's accounting policies and statutory accounts for submission to the Board. This is supported by the work of internal audit to ensure that delivery of services takes place within a sound system of internal control, designed to meet the organisation's objectives and that controls are generally being applied consistently.

Finance and Investment Committee oversees performance management across all domains with the Board retaining corporate responsibility for overall performance. The Finance and Investment Committee meets monthly to oversee the effective management of our financial resources and financial performance across a range of measures. The Committee on behalf of the Board, monitors the achievement of the organisation's statutory financial duties, seeking assurance on the progress of the Cost Improvement Programme, monitoring the organisation's monthly financial performance, and supports the development of the annual plan and receives and considers business cases prior to approval to the Board.

The Quality Committee meets monthly and seeks assurances that there are effective arrangements in place for monitoring and continually improving the quality of healthcare provided to patients.

The People and Culture Committee focuses on workforce issues, organisational culture, and organisational systems and processes. This Committee meets monthly and amongst the standing items which feature on its agenda are (a) workforce issues – including regular review of the Workforce Strategy (UHL People Plan) and the Trust's progress against its equality and diversity plan; (b) urgent and emergency care performance; and (c) performance against the cancer waiting time standards.

Operational Performance Committee focuses on scrutinising operational performance including planned care, urgent and emergency care, diagnostics, and elective.

Reconfiguration and Transformation Committee plays an assurance role in the delivery of the programme to reconfigure services across the UHL estate. This committee sets the direction and oversees the delivery programme, whilst providing leadership and advice.

Remuneration Committee is responsible for identifying, appointing and agreeing the remuneration and conditions for Executive Director positions and those classed as 'very senior managers'.

The minutes of each Board committee meeting are submitted to the next available Trust Board meeting for consideration. Recommendations made by the committees to the Trust Board are clearly identified on a cover sheet accompanying the submission of the minutes to the Board.
The Chair of each Committee personally presents a summary of the Committee's deliberations, highlighting material issues arising from the work of the Committee to the Board.
Every meeting of the Trust Board and each Board Committee meeting was quorate during 2021/22.

Corporate Governance

In managing the affairs of the Trust, the Board is committed to achieving high standards of integrity, ethics and professionalism across all areas of activity. As a fundamental part of this commitment, the Board supports the highest standards of corporate governance within the statutory framework.

We have in place a suite of corporate governance policies which are reviewed and updated as required. These include standing orders, standing financial instructions, a scheme of delegation, and policies to counter fraud, bribery and corruption.

The Board subscribes to the NHS Code of Conduct and Code of Accountability and has adopted the Nolan Principles, 'the seven principles of public life'. We have also adopted the Code of Conduct: "Standards for NHS Board members and members of Clinical Commissioning Group governing bodies in the NHS in England" (Professional Standards Authority: November 2012).

NHS Trusts are subject to oversight by NHS England/Improvement who use the Single Oversight Framework for the purpose. The Oversight Framework bases its oversight on the NHS provider licence. NHS Trusts are therefore legally subject to the equivalent of certain provider licence conditions and NHS Improvement has directed that NHS Trusts must self-certify compliance with licence conditions G6 and FT4, respectively. The Trust Board undertakes a self-assessment of compliance against these conditions annually, having regard to guidance issued by NHS Improvement, and where necessary identifies actions to mitigate risks to compliance.

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

The stewardship role of the Board is important. It is important that the tone of the Board is appropriate and operates in accordance with the NHS Code of Conduct to this end. The Board during the period 2017/18 to 2020/21 did not meet the standard expected of a well governed public sector organisation. Resulting in significant weaknesses in internal controls and non-compliance in the framework of governance, risk management and control which put the achievement of organisational objectives at risk. These weaknesses are now being addressed.

Despite financial system improvements being implemented and the strengthening of the system of organisational and financial controls during 2021/22, the Head of Internal Opinion concluded that significant improvement was still required to address inherent system weaknesses. There remain specific significant weaknesses in internal controls and non-compliance in the framework of governance, risk management and control which put the achievement of organisational objectives at risk in 2021/22.

The Trust has developed and commenced implementation of a Financial Improvement Plan to further the financial control environment, delivery of which will put the Trust in a much

better position to secure an improved opinion and in a stronger position to exit from financial special measures.

Care Quality Commission
The Trust underwent a TMA review with the CQC in June 2021, this was the Transitional Monitoring Approach which brought together elements of its existing methodologies relying on the approach adopted through the Emergency Support Framework created to manage risk through the pandemic and specifically targeting Key Lines of Enquiry ("KLOEs") covering safety, access and leadership. We were asked to complete a template which looked at 2 elements of Safe 1 of Effective, 1 Caring, 2 responsive and 6 Well led.
The meeting review was conducted virtually with the CQC inspector reviewing our template and embedded documents, as well as interviewing the Chief Nurse, Medical Director and Chief Operating Officer.

In August 21 Nuclear Medicine and Radiology underwent an on-site IRMER inspection lasting 2 days. There were no regulatory actions received, but recommendations were made in relation to staffing.

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

Data Quality
The following arrangements are in place to assure the quality and accuracy of data (including elective waiting time data).

- the Data Quality Forum meets regularly and oversees the process of assuring the quality of data reported to the Trust Board, and to external agencies, to ensure by best endeavours that it is of suitably high quality, timely and accurate. This process uses a locally agreed data quality framework to provide scrutiny and challenge on the quality of data presented. Where such assessments identify shortfalls in data quality, the risks are identified together with recommendations for improvements to ensure that the data quality is raised to the required standards;

- quarterly reports on the quality of commissioning data and clinical coding are presented to, and reviewed by, the Executive Quality Board. The Trust's position compared to peer organisations within the NHS Digital Data Quality Maturity Index is assessed and this includes the benchmarking of coding completeness;

for the management of patient activity data, we have a dedicated corporate Data Quality Team. They respond to any identified issues and undertake daily processes to ensure singularity of patient records and accurate GP and Commissioner attribution. Our weekly, corporate data quality meetings allow for the challenge of inaccurate and incomplete data collection. The Data Quality Team prepares reports on a daily basis for review by personnel within the Clinical Management Groups to maximise the coverage of NHS numbers, accurate GP registration and singularity of patient records.

Information Governance

The Trust recognises the importance of robust information governance. The Chief Information Officer is our designated Senior Information Risk Owner, while the post of Medical Director is designated as our Caldicott Guardian.

All NHS Trusts are required annually to carry out an information governance self-assessment using the NHS Data Security and Protection Toolkit. This contains 10 standards of good practice, spread across the domains identified below and, for 2020/21, we declared "all standards met" as our compliance:

1. Personal Confidential Data
2. Staff Responsibilities
3. Training
4. Managing Data Access
5. Process Reviews
6.Responding to Incidents
7.Continuity Planning
8.Unsupported Systems
9.IT Protection
10.Accountable Suppliers

We can confirm for the financial year 2021-22 – we logged 2 concerns with ICO and the ICO determined that neither were deemed reportable.

The Privacy Unit have continuously worked towards forming robust ongoing IG assurance through a recently acquired automated Dashboard Tool. This will ensure that we continue to meet the ever growing demands of supporting the Trust and in particular the patient systems used.

The Privacy Unit is supporting the wider IM&T cybersecurity objectives to ensure that we are aligned to Trust and NHS Digital requirements on a evolving and ongoing basis.

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 trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me.

My review is also informed by comments made by external auditors in their management letter and other reports. I have been advised on the implication of the result of my review if the effectiveness of the system of internal control by the board, the audit committee and quality committee and a plan to address weaknesses and ensure continuous improvement of the system is in place

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

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

The Trust continues to develop its medium term financial strategy inform the development of the annual financial plan for the Trust. The Trust actively engages commissioners, regulators (NHS Improvement), and other partners to develop and agree detailed financial and operational plans. The Trust is working with its system partners across the LLR Integrated Care System (ICS) and engaged in the Leicester wide sustainability and transformation plan. Planning takes account of system initiatives and their impact to ensure that planning within the broader ICS is aligned. These detailed operational plans and budgets are approved by the Board.

Following what has been a challenging couple of years for the Trust, in particular the inappropriate oversight of financial management, it was important to reset the leadership to enact sustainable change and improve the culture. The Board is focused on creating a leadership culture which is based on openness, transparency and integrity. As outlined in the 'Board effectiveness' section of this report, there have been fundamental changes to the leadership team during 21/22 including the roles of the Trust Chair and CEO. In early 2022 there were further changes including the Chief Operating Officer, the Chief Financial Officer and the Director of Corporate and Legal Affairs. More changes have taken place into 2022. In addition, 5 newly appointed NEDs joined the Board during 2021. The Board recognises the importance of effectively gauging its performance so that it can draw conclusions about its own strengths and weaknesses and take necessary steps to improve.

The Trust submitted its Operational Plan for 2021/22 in April 2021 to NHS England and Improvement. Updates to the plans included revisions to our operational, financial, workforce and strategic plans. These submissions contain a variety of technical documents prepared by appropriately qualified officers of the Trust and an overall narrative which describes these submissions and their associated risks. This informs the detailed operational plans and budgets which are also approved by the Board. In line with normal practice the Trust agreed its Annual Plan for 2022/23 in June 2022. NHS England and Improvement published draft planning guidance for systems in January 2022 and the Trust reviewed these in relation to our agreed annual plan.

The Board agrees annually a set of corporate objectives which are communicated to colleagues and the public. This provides the basis for performance reviews at Clinical Management Group (CMG) level. Operational performance is kept under constant review by the Executive Team, Finance & Investment Committee and the Board of Directors. In order to keep under review the delivery of the corporate objectives, the Board reviews at each

formal meeting an Integrated Performance Report covering patient safety, quality, access and experience metrics, and a Finance Performance Report.

The Trust continues to operate its Financial Management Framework to ensure that the Trust is striving towards meeting its strategic target of financial sustainability. The Finance and Investment Committee, in particular, provides overall value for money assurance, including approving and performance monitoring of the organisation's finance, efficiency and recovery plans and reviewing Clinical Management Groups (CMGs) financial and business performance. Each month reports are prepared for the Finance & Investment Committee on the financial position, alongside monthly finance reports issued to CMGs that show performance against budget. These reports contain both financial and non-financial information. The Trust has a Project Management Office team in place to support CMGs in achieving their cost improvement plan targets. This is supported by other initiatives within the Trust such as 'Get it Right First Time' and use of relevant benchmarking, including the NHS model hospital. Assurances on the operation of financial controls are commissioned and reviewed by the Audit Committee and, where appropriate, other Committees of the Board of Directors as part of their annual cycle of business. The Trust has outsourced the internal audit function to 360 Assurance, with effect from 1 April 2022, with PWC providing this service for the 2021/22 financial year. The Trust also appointed new external auditors, KPMG with effect from 1 April 2021 for an initial period of three years. The implementation of recommendations made by Internal and External Audit is overseen by the Audit Committee.

Nationally, we have been exposed to unprecedented operational and financial pressures over the last five years, culminating in the Covid-19 response. The Trust achieved its statutory financial duties in 2021/22, including delivering a better than in year break even position and maintaining capital spending and cash and borrowing within the limits set by DHSC.

The financial regime in 2021/22 reflected policy expectations that the NHS would begin to recover from Covid-19 and to incentivise restoration and recovery of normal activity. While system envelopes and block arrangements remained, there was no longer a reimbursement of all reasonable costs to break even; systems were expected to operate within a financial envelope including most Covid-19 costs. Despite the lasting impact of the pandemic, we maintained robust financial management and investment governance procedures. The main focus of 2021/22 was the recovery and delivery of elective and cancer related work, with a clear expectation that from 2022/23 that there will be a full transition towards a normal financial regime, which would see overall funding levels reduce from those experienced as a result of the pandemic. As the Trust moves away from the Covid funding regime, the Trust recognises the challenge of achieving sustainable financial balance.

Whilst the NHS funding arrangements during the Covid facilitated an operational focus on clinical service delivery in response to the pandemic, the Trust continued to adopt a measured and project-based approach to savings delivery in 2021/22, which represented a step from 20/21, but still lower than pre-pandemic levels. As the staged transition towards business as usual, efficiencies of £17.1m were delivered in 2021/22 (£8.8m in 20/21) in line with our plan.

Improvements to governance

The Trust has been progressing through a 'roadmap to sustainable financial governance' which comprised a total of 20 actions.

This is an improvement plan which incorporates requirements of and recommendations to the Trust with regard to the finances and maps actions and outcomes to the RSP exit criteria (Recovery Support Programme – as part of being in SOF4 we have agreed exit criteria in relation to sustainable financial governance). The roadmap was developed with UHL senior responsible officers and action owners have been allocated. Since its creation this has remained a live document and progress against the remaining outstanding actions is now overseen at the RSP Exit Steering Group. The Steering Group meets every two weeks and is chaired by the Chief Financial Officer and is supported by members of the IRST, with monthly attendance by region NHSEI and system colleagues.

Besides leadership and culture improvements there have been a huge number of other actions to improve the financial governance over the past 2 years, these include:

Grip and Control

NHSE/I have a tool for organisations and systems to use to assess their grip and control of financial management called the Grip and Control checklist. The checklist is far reaching and covers 5 core areas with over 200 individual check list items. The Trust commenced the check list during Q3 of 2020 and as at April 2022 has completed over 90% of the check list and closed all but 9 remaining points. These remaining points have been absorbed into the appropriate governance structure for oversight of their completion. The internal grip and control around financial management has improved at the Trust by completing the check list and this has been formally recognised by the Trust External Auditors in their 2019/20 Annual Report.

Financial Recovery Board

In order to gain tighter oversight and scrutiny of the Trusts expenditure and investments a Finance Recovery Board was established in May 2020 and chaired by the Chief Executive, which provided assurance directly to the Finance and Investment Committee. The Financial Recovery Board was absorbed into the Trusts Executive Finance and Performance Board in late 2021 to allow for appropriate clinical engagement and oversight to financial decision making.

Financial Accounts

In March 2022 the Trust formally approved its 2019/20 Annual Report and Accounts after an extensive amount of work took place to restate the balance sheet.

Risk Committee

In 2021 Deloitte undertook a review of the Executive level governance structure and proposed a new structure which specifically incorporated an Executive Risk Group and Hospital Management Board with sub reporting aligned to CQC domains 'well-led', 'responsive' and 'safety & caring'. A risk committee was established in March 2022 and

currently takes place every 2 weeks, chaired by the Chief Executive and a standing membership of all Executive Directors and open invitation to Clinical Directors and senior corporate leaders. This committee is instrumental to strengthen the broader understanding of the Trust's risks, the mitigations in place and actions taken to address identified gaps. The committee also receive all new risks rated 15 and above for appropriate challenge prior to being accepted to the register. The forward plan for this committee contains every CMG and corporate area, this includes the finance department. The50rganiee is in its early stages and there is more work to do for it to become mature at managing risks. The committee places emphasis on the Executive Directors to be fully accountable for the risks on their register and how these are managed. Later in 2022 the Board will hold a development session to explore its approach to risk appetite and tolerance.

Board Assurance Framework

The Board Assurance Framework is currently undergoing a complete review and refresh and new strategic themes have been agreed in during 2022. There are 6 themes aligned with quality, finances, system working, people, infrastructure and research. The Board have collectively discussed and agreed the themes which will be presented to the Board for formal approval. There is further work to complete to enhance the governance to enable assurance to be sought through Board committees.

There is further work to do going into 2022/23 to continue to embed good governance across UHL and more specifically the important task to review and implement the Trust Financial Standing Orders, Scheme of Delegation and Standing Orders. The development of the Board Assurance Framework will continue to progress and develop throughout 2022/23 alongside the review and refresh of the Trust Strategy.

Improving the culture of the Finance Department

In addition to the extensive changes made at Board level, the finance department has been on an intense journey of improvement to ensure it becomes best in class. A significant part of this was to undertake a review of its operating structure and address identified poor culture and behaviours. The finance department completed its re-structure in January 2022 which saw 25 new posts created and subsequently appointed to, enabling the creation of a finance team which was fit for purpose and reflective of peer Trusts in terms of WTE and grade of staff, leadership roles and number of qualified staff. Increasing the qualified posts within the structure has strengthened the financial control environment and supported improvements to financial reporting.

In addition to the restructure, the team have embarked on a journey to address and challenge the culture and behaviours through a detailed action plan to improve how the directorate operates and feels, incorporating the need to ensure staff feel empowered to speak up. The action plan was informed by reviews with senior finance staff, Directorate-wide focus groups and Directorate staff survey questionnaires and incorporates 4 work streams, namely Training & Development, Communication, Culture & Behaviour and Integration. These work streams are each sponsored by a Very Senior Finance Team member and progress is overseen by the Finance and Procurement Staff Development working group which is a staff driven group that is chaired fortnightly by a Head of Finance. As at 31 March 2022 this work had already delivered a vast amount of improvements for the Directorate such as the creation of:

- Training & Development Policy
- Training Needs Analysis
- Induction Document for new starters
- Updated appraisal paperwork and promotion of appraisal training
- 'Beginners Guide to Finance'
- Monthly Engagement Events
- Structure charts with names
- New basis of format for staff recognition
- Monthly Elevenses with SFT
- Raised profile of H&WB
- SFT development sessions with external consultancy
- Staff-owned Directorate strapline
- Finance and Procurement training for non-finance staff
- Ethics Training
- Internal Team Development Sessions

The work delivered to date by this group will be instrumental in securing Level 1 accreditation with Future Focused Finance and accreditation with all the professional accountancy bodies. Key Performance Indicators (KPIs) have been created by the Senior Finance Team (SFT) to monitor the success of the restructure and the impact of the cultural changes made within the Directorate.

Head of Internal Audit Opinion

PricewaterhouseCoopers were the Trust's internal auditors for the year 2021/22. The Head of Internal Audit Opinion stated *'Governance, risk management and control in relation to non financial 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. The Trust remains within financial special measures and is delivering a roadmap to sustainable financial improvement which sets out eventual outcomes that will demonstrate 'good'*
financial governance across the board and sets out the actions required to exit the Recovery Support Programme. Progress against the roadmap is reported to the Audit Committee and to the Financial Recovery Board. The Trust continues to build and strengthen the finance team to address gaps in capacity and capability. There is regular reporting on progress against the Grip and Control checklist, which is a tool created by NHS England and Improvement for organisations and systems to use to assess their financial management. Despite the progress made, our financial systems work in 2021/22 has continued to identify significant areas for improvement. A high risk report was raised in relation to fixed assets and the purchase to pay process. Our report on financial reporting, although not risk rated, identified that further work is required to enhance the current reporting. Our review of previous actions through our TrAction system also shows that three actions remain outstanding from our 2020/21 Financial Systems – Part 1 Report that was critically risk rated as well three actions from our 2020/21 Accounts Payable review which was high risk rated. Due to the ongoing financial improvement work during the year and control issues noted, we have therefore classed our opinion as 'Major improvements required'.

Conclusion
I believe the 2021/22 annual governance statement has described both the challenges and improvements that have been made during this year. Whilst I am proud that we have made progress I recognise that the Trust still has a long way to go, and we will continue to improve and strengthen our systems of internal control.

The Trust remains within financial special measures and is delivering a roadmap to sustainable financial improvement which sets out eventual outcomes that will demonstrate 'good' financial governance across the board and sets out the actions required to exit the Recovery Support Programme. I have provided detail of the progress made to date against the roadmap and this will continue into 22/23 with oversight at the Audit Committee and Trust Board. We will continue to build and strengthen the finance team to address gaps in capacity and capability.
Due to the ongoing financial improvement work during the year and control issues noted, PricewaterhouseCoopers issued their opinion as 'Major improvements required'.

As Accountable Officer I have accepted the opinion issued and note the governance, risk management and control in relation to non financial business critical areas is *'generally satisfactory'.* Due to the ongoing financial improvement work referred to above a significant weakness in internal control has been identified. We will continue on our journey of improvement to ensure our systems of internal control, financial and non financial, are robust and effective.

Richard Mitchell
Chief Executive

11 May 2023

Our Staff and Remuneration Report (audited)

Our People

Our greatest asset is our people and we value our staff highly. We recognise that they have continued to be dedicated to high quality, compassionate patient care despite working under extreme pressure during the COVID-19 pandemic.
We're committed to investing in our people and actively encourage staff to take part in training and professional development, and to share their ideas on how we can improve patient care and the working environment at the Trust. This year one of our key focusses has been the health and wellbeing of our staff as part of our plan to reset following the challenges of COVID-19. We are committed to ensuring staff feel supported by both their line manager and the Trust as we move forward.

We want Leicester's Hospitals to become the employer of choice for existing colleagues and new recruits by providing a positive staff experience, being explicit about career development opportunities and supporting people to be their best.
We strive to achieve excellence in equality, diversity and inclusion in all that we do whilst acknowledging the significant workforce challenges our Trust is experiencing. This is more important than ever as we emerge from the pandemic.
Our work for the coming year aligns with the national NHS People Plan, published in July 2020.
Our work programme for the coming year focuses on:

- Review and transformation of Transactional Services
- Embed a Just and Restorative approach through our policies and practices
- Review and develop our approach towards Staff Health and Wellbeing
- Deploy initiatives to support in work poverty
- Improve EDI Governance agree priorities and support the staff networks
- Review and develop our Learning and Development offer

We will support the development of our Trust Strategy, focusing on what matters most to our staff. We will also align our long-term People Strategy to the Leicester, Leicestershire and Rutland system People Plan, as well as Trust-level initiatives that are already taking place.

COVID 19 impact on staff
COVID-19 acted as a springboard, bringing about an incredible scale and pace of transformation, and highlighting the enormous contribution of all our NHS people.
Profound changes emerged and we demonstrated that we could:

- Really prioritise the care of our staff and ensure joined up approaches to health and wellbeing across health and social care.
- Mobilise to share our workforce across health, social care, and higher education institutions.
- Rapidly undertake robust education through virtual means.
- Rapidly redesign how services are delivered across pathways.

- Optimise the use of virtual and digital technology particularly within Outpatient clinics.
- Focus on the experiences of BAME staff, ensuring risk assessments for all defined at-risk groups are in place.
- Embed inclusive decision making into the way we make strategic decisions.

Health and Wellbeing highlights

Considerable work has been delivered across core workforce areas over the last 12 months. Highlights include:

- Our Health and Wellbeing offer has been continuously developed to enable our workforce to access the diverse range of support and interventions available. Categories of support include focusing on 'looking after yourself and colleagues', 'let's talk' and 'I need help'.
- We have trained 70 practitioners in Trauma Risk Management (TRIM) and launched training for REACT Mental Health conversations.
- Amica Staff Counselling and Psychological Support Services are available for all staff 365 days a year. The need for these services has risen by approximately 20% in the last year. The team provide one to one counselling and have provided in excess of 600 hours of in-reach work for teams. Amica has supported teams experiencing extra challenges, with drop-in/support sessions. This year also saw the launch of the self-care wellbeing platform SilverCloud, available through the dedicated Amica website, alongside other useful resources such as training sessions for emotional resilience and mindfulness.
- We are part of an LLR-wide Health and Wellbeing Taskforce who are working in collaboration with all system partners to help improve the experiences of staff. We are also part of the LLR Mental Health and Wellbeing hub providing a central point of access for support.
- We are proud to have played a key part in establishing the LLR Academy, which is a virtual team of dedicated health and social care representatives working together across the LLR system to improve outcomes and experiences for our people and the population we serve, creating #moregooddays.

Equality, Diversity and Inclusion

At UHL we are committed to working towards a culture of belonging and inclusion where all our people have a voice. We work hard to tackle discrimination and inequality.

In order to achieve this it is crucial that we strive for inclusive leadership. Our leaders must demonstrate their commitment to Equality, Diversity and Inclusion (EDI) and board and committee papers must contain useful and relevant EDI information.

Some of the actions we are taking include:

- Giving our people a voice through our staff networks, listening and acting on feedback and increasing involvement in decision making.
- Working towards embedding equality, diversity and Inclusion into the culture of the Trust.
- Developing leaders that reflect our Trust values.
- Providing a working environment of civility and respect for both staff and our patients.

- Improving the experience of those people with a protected characteristic as identified by the Equality Act 2010.
- Implementing the Public Sector Equality Duty (PSED).
- Our Equality Statement of Intent will encompass all our actions/plans, decisions, Equality Analysis and equity of purpose.
- Continuing the work of our Vaccination Inequalities Group, focusing on addressing health inequalities.
- Implementing our LLR Inclusive Decision-Making Framework, which contains 6 steps aimed at enhancing our decision-making processes to give consideration to EDI when developing and implementing strategy, plans, programmes, projects and commissioning and procuring services.

Continuing to develop our EDI staff networks to help shape and take forward actions at a Trust-wide level.

Equality, diversity and inclusion (EDI) remains a top priority and we are continuing to implement our EDI strategic approach and develop good practice.

This year, we have continued to operate within the challenging context of the COVID-19 pandemic and operational pressures. We have however undertaken a considerable amount of work to facilitate meaningful change and advance the EDI agenda. The activity over the past year includes:

EDI Strategic Plan 2020-25

In 2020, we reviewed our approach to EDI and developed an Equality Diversity and Inclusion Strategic Plan which was approved by our Trust Board in December 2020. It sets out a holistic approach to the agenda and incorporates three pillars:

- Outstanding health outcomes and experiences for all our patients
- A diverse, talented, and high-performing workforce
- An inclusive, accessible and civil culture

Our plan will improve equality, diversity and inclusion across the Trust and LLR, and aligns to the principles set out within our legal duties, NHS Long Term Plan, NHS People Plan and the Model Employer Strategy, which addresses racial inequalities and discrimination within the NHS, including Leadership Diversity. The patient and workforce aspects of the Equality Delivery System have also been incorporated into our plan.

In early 2021, Price Waterhouse Cooper undertook an audit of EDI at UHL and put forward a number of recommendations to continue to drive improvement. As a consequence of the audit, we have undertaken a review of our governance processes and have taken forward the following actions:

- Started the review process for the EDI Board and deliverables.
- To accompany our EDI strategic plan, we are in the process of developing a five-year EDI delivery plan. The Plan will be designed in collaboration with stakeholders across all UHL corporate and clinical services.
- We have also aligned our Workforce Disability and Race Equality Standard plans to the same timeframe as our EDI Strategic Plan.

Inclusive Decision-Making Framework (IDMF)

In May 2020, we developed an innovative new framework to drive improvement through existing decision-making processes and fulfil its legal duties under the Equality Act 2010.

The framework aims to ensure we thoroughly consider the diverse needs of our workforce, our patients and the wider community when we are developing and implementing strategy, plans, programmes, projects and commissioning and procuring services.
Over the past 12 months we have implemented an IDMF pilot programme across three key areas:

- Building Better Hospitals Programme
- LLR Health Inequalities Framework development
- LLR Clinical Design Groups, who are developing new models of care

Active Bystander Programme
In 2020/21 the Trust designed the Active Bystander Programme (ABP), following a Trust-wide Leadership and Culture assessment.
In February 2021 the programme was identified by NHSE&I as an example of good practice and entered into a national collaboration with our health and social care system to scale up and develop the programme across all 15 health and social care organisations within the Leicester, Leicestershire, and Rutland Integrated Care System.
The programme seeks to establish a pro-active 56 organizational culture to address harmful behaviours, promote inclusion and role model our values. It adopts an early intervention approach which can prevent negative behaviours from escalating and facilitate learning. It will establish a network of staff who will safely and constructively challenge poor behaviour.

Policy Review and Framework Development
We initiated the creation of a new policy framework which will incorporate a review of the following EDI policies:

- UHL Transgender and Non-Binary Policy – for both staff and patients
- UHL Disability Policy
- UHL EDI Policy
- UHL Interpreting and Translation Policy
- UHL Uniform and Dress Code Policy

We are adopting a collaborative approach by involving both patients and staff.

Diversifying Leadership
We developed a diversifying leadership development session which was piloted during the Chief Executive recruitment process in June 21.

This session enabled panellists and stakeholder group members to explore why diversity in leadership is important, and the associated performance benefits for teams, organisations and systems.

Improving EDI Data Capability
We initiated a project to improve EDI data capability, working in collaboration with Workforce Information and Systems Manager to identify where the EDI data is currently

collected, how it is presented and reported on, and any gaps in capability of current systems.

National NHS staff survey

The NHS Staff Survey was carried out in October and November 2021, on behalf of NHS England. The results form a key part of the Care Quality Commission's assessment of NHS trusts.

This year every eligible member of staff (16,122) was invited to take part. A total of 7,272 responses were returned, giving a response rate of 45%. This was an increase of 12% from the previous year. The national average for acute trusts stands at 52%.

There was significant decline in a number of results, in particular two key questions:

- I would recommend my organisation as a place to work 55.5 % (65.7% in 2020)

- If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation 62.8% (71.4% in 2020)

This mirrors the national and regional picture with COVID-19 undoubtedly having a big impact on how our colleagues are feeling and their experience at work.

Three high level themes were evident:

- Recruitment and retention
- Inclusivity and feeling valued
- Supporting health and wellbeing

Thirteen commitments were given to help address and improve these which are being worked on by our Board of Directors focusing on the key areas that colleagues identified as key in terms of their experience of working with the Trust. We have regularly communicated progress against these commitments and continued to engage our colleagues to understand their feedback further.

Freedom to Speak Up Guardian

This year has seen several exciting changes. Our new CEO and his executive team have committed to making UHL the workplace destination of choice for all staff, present and future.

Jo Dawson returned to the F2SU Guardian Service from maternity leave and was joined by Edel Concannon who works with Jo in a job share capacity. These changes have provided an opportunity to review our Freedom to Speak Up provision and to consider how we can respond to staff concerns in a timely and positive manner.

Between April 2021 and March 2022 231 concerns were raised via the four staff reporting mechanisms:

- The guardians themselves
- 3636 staff concerns reporting line
- BAME Your Voice Reporting Tool – online form
- Junior Doctor Gripe Tool – online form

This is a small decrease (of 18) from the previous year.

The Freedom to Speak Up mailbox and mobile telephone contact were the most popular methods, accounting for 74% of the overall reporting numbers.

The most common themes for concerns included; communication (66 concerns raised), staff attitudes (53) and professionalism (20).
Where concerns highlighted issues with behaviours and team dynamics, we have worked closely with supportive services such as Organisational Development, the Health and Well-Being team, AMICA, and the Chaplaincy Service. Through this partnership working, the F2SU Guardian Service has seen improvements in team dynamics and culture within wards and departments at UHL.
Other important achievements included addressing concerns around inconsistent use of our translation and interpretation policy. Working with the Trust's Equality, Diversity and Inclusion Coordinator we were able to encourage concerned staff to take part in focus groups where they shared their concerns and ideas for improvement. At the end of the process, staff contacted the Freedom to Speak Up Guardians Service to thank them for their support and for taking their concern so seriously.

Key aims for 2022/23

- To work closely with the BAME Network to promote the BAME Your Voice Reporting Tool – which has not been as widely used as hoped – and identify any barriers.
- To continue to promote the reporting mechanisms to all staff with the aid of a thorough communications plan and the recruitment of F2SU Champions from across the Trust. They will help embed the agenda at CMG and Directorate level and support staff in speaking to the Guardians service as early as possible.
- To drive through improvements, using the NHS Staff Survey Results 2020/2021, speaking up data and by benchmarking against the top 5 speaking up trusts nationally.

Occupational health support

Our Occupational Health (OH) service continues to be an integral part of our organisation and plays an ever-important role in supporting our staff and their managers with all matters relating to health and work.
The challenges for the service presented by COVID-19 have continued in the last year, especially through the winter period 2021-22 with the emergence of the Omicron variant. During this period we had to re-establish drive through testing for staff when the national system was unable to cope. The OH service has undoubtedly become the 'hospital helpline' for staff concerned about all matters relating to Covid-19 and we continue to operate an enhanced Duty Nurse helpline for this purpose.
We have continued to support the risk assessment of staff with vulnerabilities, as well as the vaccination campaign and have continued to collaborate with colleague in the Infection Prevention and Control Team to assist with management of outbreaks in clinical areas.
The annual staff influenza campaign this year reached 51% of staff, which reflected the unique seasonal pressures on all staff over the exceptionally challenged winter period and the simultaneous delivery of the Covid-19 Autumn booster, alongside staff concerns about mandatory Covid-19 vaccination as a condition of deployment.
The Occupational Health service again retained its independent accreditation as a Safe, Effective, Quality Occupational Health Service (SEQOHS) following annual review in February 2022, and remains a centre for training in Occupational Medicine, being one of only three units in the UK able to support three medical trainees.
As we look forward to the next year, we have exiting plans for the launch of online OH services (electronic referrals and clearance for employment) and growth within the OH

Team. A recent move to a new telephone operating system and inclusion of video-consultations has brought improvements to our service.

Sickness absence figures and reducing staff absence
We recognise our staff are our most valuable resource and our approach to managing and supporting staff attendance goes hand in hand with promoting staff health and wellbeing.

Managers are supported by People Services, Staff Engagement/Health and Wellbeing Service, Occupational Health and AMICA (the Trust confidential staff counselling and psychological support service and the LLR system MH wellbeing hub) to manage sickness absence in line with the Trust policy and support staff to attend work regularly or sustain a return to work following a period of absence.

Our sickness absence target is 3%. These are reported retrospectively and an overall Trust sickness absence rate of 6.82% was reported for the year.

We have a number of key areas of action:

- During the pandemic we facilitated a support group for staff that were shielding or had Long COVID in order to ensure these staff had peer support.
- Additional support was put in place for colleagues that were disproportionately impacted in terms of health inequalities, through individual COVID risk assessments.
- In terms of staff mental health, we are continuing to build on the principles of the previous 'Time to change' initiative creating a culture where staff can openly discuss their overall wellbeing. This support includes line managers training, use of Wellness Action Plans, Mental Health First Aid training at all levels, sharing experiences/case studies and promoting best practice.
- We have also continued to improve and promote access to fast track physiotherapy for Trust staff through a self-referral process.

Attracting and retaining staff – our staff benefits scheme
Reducing vacancies and ensuring UHL is able to attract and retain the right staff with the right skills at the right time has always been our key priority.
This year has been about learning to operate in the new normal Covid world whilst working to deliver high recruitment demand within a highly challenging candidate-driven market. It has required the ability to once again re-engineer our processes with a more long-term scope to operating in a digital world.
Bulk recruitment volumes have soared with vacancies filled between April 2021 and March 2022 reaching double that of the previous financial year.
Effective resource and processes have been reviewed within some of our busiest Clinical Management Groups such as Cancer, Haematology, Urology, Gastroenterology and General Surgery (CHUGGS) and Clinical Support and Imaging (CSI).
Our focus has been around operational delivery of basic recruitment principals whilst supporting new projects such as the Corporate Nursing recruitment website. This will define nursing pathways and acts as the selling tool to our career opportunities within a virtual world.

We recognise that much of how we retain staff is about developing our understanding of staff experience, career progression, staff wellbeing and flexible / agile working practices. This year we have agreed Agile working principles for the Trust and implemented a revised exit questionnaire process. The Trust has made an application for the People Promise exemplar programme which will support the retention agenda.

Learning and development

Ensuring all staff have access to the right skills and knowledge in the most accessible way has never been as crucial as in 2021/22.

Through the range of sub teams within Learning and Development, we have provided flexible blended learning to meet both the needs of the COVID response and development of our workforce.

UHL offers a wide range of apprenticeships and other courses by working together with local colleges and private training providers to support workforce development need. Appropriate learning and development needs continue to be identified through the appraisal process within CMGs and enable employees to gain the skills and qualifications that will meet both the needs of the organisation to improve patient care and the delivery of services.

During 2021/22 whilst a lot of non-essential training was placed on hold in response to the pandemic, there were seven core business courses that continued to run and were attended by 425 members of staff. The department continues to deliver e-Induction weekly in response to the COVID pandemic to support welcoming and training requirements for new starters. In 2021/22 the team have supported UHL new starters totalling circa 2470 staff.

Other highlights of the year include:

- The Core Training Team continued to develop new e-learning programmes, with 27 currently in development or being reviewed, and 133 live for staff to access.
- A significant increase in eLearning with 197,097 modules being completed this year, compared to 77,859 in 2020/21.
- The IT training team has continued their delivery of training for staff who work with various clinical IT applications. Just under 1200 learners have attended in-classroom training sessions and 360 have completed eLearning modules.
- Our internal apprenticeships team have supported more than 400 staff learners on Apprenticeship Education Programmes. 140 of these enrolled in 2021/22.
- Our externally UHL Apprenticeship and Development Centre supported 43 learners from 11 other health and social care organisations including Leicestershire Partnership Trust and LOROS. An Ofsted inspection in October 2021 rated the centre Good.
- The first cohort of Trainee Assistant Practitioners (TAPs), from our UHL Theatre Team, have now all successfully completed. All 10 learners completed on time with 5 distinctions, 4 merits and 1 pass grade. 7 are now currently working as Band 4 Assistant Practitioners.
- Overall, the centre achieved 74 learner completions this year – 40 gained distinctions, 5 gained merits and 29 passed.
- UHL became a part of the government's Kickstart Scheme, which supports people to gain a City and Guilds qualification alongside a placement at UHL. To date, 30 people have taken part with 73% of those who completed their placement gaining employment.

Valuing our staff – Reward and recognition

Our Caring at its Best Awards were launched in 2011 and have enabled us to recognise and reward more staff than ever before by moving to quarterly awards with an annual ceremony.

It was with regret that in 2021/22 the annual ceremony was not able to occur in our usual way, however, working alongside our Communications team we were able to celebrate our winners of winners from 2019 – 2021.

We had the usual external judging panel and included a fifth 'strictly' style judge where colleagues were able to vote for their peers.

Following this, with the help of our Chief Executive we hosted a week of celebrations surprising our winners in their workplace with an award and an array of goodies.

We continue with the monthly and quarterly presentations. Adaptations to the processes continued to ensure that an authentic thank you was provided in the safest way possible.

Our 'Above and Beyond' informal recognition scheme, launched in November 2016, continues to go from strength to strength with more than 45,867 nominations from its launch, including in excess of 8150 since April 2021.

Staff are nominated by colleagues or peers as going 'above and beyond'. They receive a special thank you in the form of a pin badge and card. The surge in requests during 2021/22 was met and every card was issued in a timely manner to ensure staff, now more than ever, knew how appreciated they were by those around them.

Modern Slavery Act

The Trust complies with the Modern Slavery Act, specifically section 54 'Transparency in supply chains' which is the section directly relevant to the corporate sector. The Trust undertakes ongoing assessment of our contracts which have the highest risk of modern slavery. Use of MSA compliant supplier Pre-Qualification Questionnaire (PQQ), is used to support assurance that our suppliers comply with MSA. In addition, products purchased through third party distributors, such as NHS Supply Chain, have the assurance of national frameworks to ensure compliance with the Act.

Workforce statistics

Senior Manager Gender Split at 31 March 2022

	Heads		WTE		Total Heads	Total WTE
Grade	Female	Male	Female	Male		
Band 8 - Range A	386	129	347	121	515	468
Band 8 - Range B	102	50	93	47	152	140
Band 8 - Range C	44	25	43	23	69	66
Band 8 - Range D	20	8	20	8	28	28
Band 9	15	7	14	7	22	21
Senior Manager	8	4	8	4	12	12
Executive Director	1	-	1	-	1	1
Director	-	2	-	2	2	2
Grand Total	576	225	526	212	801	738
All Staff	12,937	3,821	10,966	3,565	16,758	14,531

Staff numbers

	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Summary				WTE			
Medical and Dental	2009	1,898	1,825	1,805	1,682	1,725	1,641
Administration and Estates	4143	4,162	4,126	4,071	3,977	3,825	2,501
Healthcare Assistants and other support staff	2705	2,540	2,500	2,388	2,265	2,185	2,007
Registered Nursing and Midwifery	4046	3,941	3,869	3,692	3,577	3,583	3,571
Scientific, Therapeutic and Technical	1628	1,581	1,526	1,504	1,465	1,397	1,323
TOTAL	**14531**	**14,122**	**13,847**	**13,460**	**12,966**	**12,714**	**11,044**

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

In addition to Corporate Induction, all staff must complete a Local Induction within first 28 days of starting employment at the Trust. At Local Induction new starters are inducted to their local working practices and work priorities are set for them. The induction is completed by local managers for new starters, and Organisational Learning leads on the policy, process and recording.

Salary and pension entitlements of senior managers – salary 2021/22
We classify our Directors and Senior Managers as Very Senior Managers (VSM) these members of staff are deemed to be on a VSM pay scale which is non agenda for change. The remuneration of these individuals is set by our remuneration committee and each case is considered on an individual basis. On an annual basis the remuneration committee decides on any pay uplift or pay award for VSM for the forthcoming year.

- Taxable expense payments are rounded to the nearest £100 in the above table. Pension related benefits are shown in bands of £2,500. All other remuneration is shown in bands of £5,000.

- Salary includes all amounts paid and payable in respect of the period the individual held office, including any salary sacrifice elements.

- There are no long-term performance pay or bonuses for senior managers in the current or preceding financial years.

All pension-related benefits are calculated using the HMRC method as set out in Section 229 of the Finance Act 2004. The Department of Health and Social Care have clarified that for NHS bodies this is the "Real increase in pension multiplied by 20 plus the real increase in lump sum less contributions made by the individual equals Accrued Pension Benefits". The NHS Pension Scheme is a "defined benefits" scheme based on final salary and/or career average earnings. Thus where a senior manager's salary increases this results in a larger movement in the overall value of their pension entitlement. Similarly, where there is a limited increase in the value of the pension payable relative to inflation and the employees'

contributions, then the HMRC calculation can show a “negative pensions benefits” figure for the year which is then shown as a “nil” figure in the table. These factors mean that year on year there can be significant volatility in the reported pensions’ benefits for an individual.

Salary and pension entitlements of Senior Managers

- The Trust is a member of the NHS Pension Scheme which is a defined benefit Scheme, though accounted for locally as a defined contribution scheme. The Trust does not operate nor contribute to a stakeholders’ pension scheme. Non-Executive Directors are not members of the Trust pension scheme. Disclosure is made in respect of pension benefits for those Directors who were active members of the NHS Pension Scheme during 2021/22.

- A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

- Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Salary and pension entitlements of senior managers – salary 2021/22 (audited)

Name and Title	Salary (bands of £5,000) £000	Expense payments (taxable) total to nearest £100 £	Performance pay and bonuses (bands of £5,000) £000	Long term performance pay and bonuses (bands of £5,000) £000	All pension-related benefits (bands of £2,500) £000	TOTAL (bands of £5,000) £000
BOARD MEMBERS						
EXECUTIVE DIRECTORS						
A Furlong, Medical Director	220 - 225	0	0	0	42.5-45	265-270
R Brown, Chief Operating Officer (to 3 October 2021)	95 -100	0	0	0	0	95-100
C Fox, Chief Nurse (to 6 December 2021)	110 - 115	0	0	0	27.5-30	140-145
D Mitchell, Acting Chief Operating Officer (to 31 December 2021)	105 -110	0	0	0	0	105 - 110
S Lazarus, Interim Chief Financial Officer (to 29 October 2021)	100 - 105	0	0	0	0	100 - 105
A Carruthers, Chief Information Officer	120 - 125	0	0	0	30-32.5	150-155
D Kerr, Director of Estates and Facilities	165 - 170	0	0	0	0	165 - 170
S Ward, Director of Corporate & Legal Affairs (to 31 July 2021)	35 - 40	0	0	0	0	35 - 40
M Wightman, Director of Communication and Strategy (to 31 December 2021)	100-105	0	0	0	27.5-30	125-130
H Wyton, Director of People & Organisational Development (to 2 February 2022)	125-130	0	0	0	47.5-50	175-180
B Cassidy, Director of Corporate and Legal Affairs (from 7 February 2022)	15 - 20	0	0	0	25-27.5	40-45
R Cooper, Interim Chief Financial Officer (from 30 October 2021) (to 23 January 2022)	100 - 105	0	0	0	0	100 - 105
M Durbridge, Director of Quality Transformation Efficiency and Improvement (from 1 July 2021)	80-85	0	0	0	112.5-115	195-200
G George, Interim Director of Corporate and Legal Affairs (from 1 August 2021 to 4 February	60-65	0	0	0	15-17.5	75-80
L Hooper, Chief Financial Officer (from 24 January 2022)	30 - 35	0	0	0	115-117.5	145-150
J Melbourne, Chief Operating Officer (from 31 January 2022)	25 - 30	0	0	0	72.5-75	95-100
E Meldrum, Acting Chief Nurse (from 6 December 2021 to 8 May 2022)	35-40	0	0	0	0	35-40
R Mitchell, Chief Executive (from 4 October 2021)	110-115	0	0	0	0	110-115
J Tyler-Fantom, Acting Chief People Officer (from 6 January 2022 to 31 May 2022)	25-30	0	0	0	27.5-30	55-60

NON EXECUTIVE DIRECTORS						
Karamjt Singh, Chairman (to 16 April 2021)	5-10	0	0	0	0	0-5
John McDonald, Trust Chairman (from 1 August 2021, acting from 17 April 2021)	40-45	0	0	0	0	40-45
V Bailey, Non-Executive Director	10 - 15	0	0	0	0	10 - 15
T Robinson, Non-Executive Director (from 1 August 2021)	5-10	0	0	0	0	5-10
S Harris, Non-Executive Director (from 1 January 2022)	0-5	0	0	0	0	0-5
Professor P Baker, Non-Executive Director (to 31 July 2021)	0-5	0	0	0	0	0-5
M Williams, Non-Executive Director (from 2 September 2020)	15 - 20	0	0	0	0	15 - 20
I Crowe, Non-Executive Director (to 31 January 2022)	10 - 15	0	0	0	0	10 - 15
B Patel, Non-Executive Director	10 - 15	0	0	0	0	10 - 15
A Johnson, Non-Executive Director (to 31 January 2022)	10 - 15	0	0	0	0	10 - 15
A Haynes, Non-Executive Director (from 1 February 2022)	5-10	0	0	0	0	5-10
K Gillatt, Associate Non-Executive Director (to 31 January 2022)	10-15	0	0	0	0	10-15
I Orrell, Associate Non-Executive Director (to 31 December 2021)	10-15	0	0	0	0	10-15
G Collins-Punter, Associate Non-Executive Director (from 1 February 2022)	0-5	0	0	0	0	0-5

Salary and pension entitlements of senior managers - pension benefits 2021/22 (audited)

Name and Title	Real Increase in accrued pension at pension age (bands of £2500) £'000	Real Increase in lump sum at pension age (bands of £2500) £'000	Accrued pension at pension age as at 31/03/22 (bands of £5000) £'000	Lump Sum at pension age as at 31/03/22 (bands of £5000) £'000	CETV AS AT 31/03/22 £'000	CETV AS AT 31/03/21 £'000	Real increase in CETV £'000
A Furlong, Medical Director	2.5 - 5	0-2.5	60-65	135 - 140	1,306	1,219	57
R Brown, Chief Operating Officer (to 3 October 2021)	0	0	60-65	130-135	N/A	N/A	N/A
C Fox, Chief Nurse (to 6 December 2021)	0-2.5	0	60-65	140 - 145	1,162	1,101	16
D Mitchell, Acting Chief Operating Officer (to 31 December 2021)	0-2.5	0	60-65	125-130	1,197	1,177	0
S Lazarus, Interim Chief Financial Officer (to 29 October 2021)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A Carruthers, Chief Information Officer	0-2.5	0-2.5	30-35	55-60	461	423	18
D Kerr, Director of Estates and Facilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S Ward, Director of Corporate & Legal Affairs (to 31 July 2021)	0	35-37.5	40-45	265-270	N/A	N/A	N/A
M Wightman, Director of Communication and Strategy (to 31 December 2021)	0-2.5	0	45-50	90-95	903	850	18
H Wyton, Director of People & Organisational Development (to 2 February 2022)	2.5-5	7.5-10	25-30	80-85	N/A	N/A	N/A
B Cassidy, Director of Corporate and Legal Affairs (from 7 February 2022)	0-2.5	0	5-10	0	56	40	0
R Cooper, Interim Chief Financial Officer (from 30 October 2021) (to 23 January 2022)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
M Durbridge, Director of Quality Transformation Efficiency and Improvement (from 1 July 2021)	2.5-5	12.5-15	50-55	155-160	1234	1078	98
G George, Interim Director of Corporate and Legal Affairs (from 1 August 2021 to 4 February 2022)	0-2.5	0	0-5	0	35	17	1
L Hooper, Chief Financial Officer (from 24 January 2022)	0-2.5	0-2.5	30-35	55-60	430	352	10
J Melbourne, Chief Operating Officer (from 31 January 2022)	0-2.5	0-2.5	25-30	40-45	351	303	4
E Meldrum, Acting Chief Nurse (from 6 December 2021 to 8 May 2022)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R Mitchell, Chief Executive (from 4 October 2021)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J Tyler-Fantom, Acting Chief People Officer (from 6 January 2022 to 31 May 2022)	0-2.5	0-2.5	20-25	25-30	321	260	1

Notes:

1 Where employee left the pension scheme during the year there is no closing CETV..

2 Employee not a member of the pension scheme.

3 As Non-Executive Directors are not employees, they are not members of the NHS Pension Scheme.

Average number of employees (WTE basis) (audited)

	Total 2021/22 No.	Permanent 2021/22 No.	Other 2021/22 No.	Total 2020/21 No.
Medical and dental	**2,011**	787	1,224	**1,863**
Administration and estates	**2,816**	2,454	362	**2,700**
Healthcare assistants and other support staff	**3,893**	3,560	333	**2,320**
Nursing, midwifery and health visiting staff	**4,173**	3,349	824	**4,097**
Nursing, midwifery and health visiting learners	**109**	109	0	**1,559**
Scientific, therapeutic and technical staff	**1,774**	1,630	144	**1,677**
Healthcare science staff	**8**	0	8	**4**
Total average numbers	**14,784**	**11,889**	**2,895**	**14,220**
Of which:				
Number of employees (WTE) engaged on capital projects	**43**	43		**43**
The Trust applied an updated definition of nursing, midwifery and health visiting learners in 2021/22.				

Exit Packages (audited)

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

Reporting of compensation schemes - exit packages 2021/22

	Number of compulsory redundancies	Cost of compulsory redundancies	Total number of exit packages
	No.	£000	No.
Exit package cost band (including any special payment element)			
<£10,000	0	0	0
£10,000 - £25,000	0	0	0
£100,001 - £150,000	0	0	0
Total	0	0	0

Reporting of compensation schemes - exit packages 2020/21

	Number of compulsory redundancies	Cost of compulsory redundancies	Total number of exit packages
	No.	£000	No.
Exit package cost band (including any special payment element)			
<£10,000	12	40	12
£25,000 - £50,000	0	0	0
£50,000 - £100,000	0	0	0
Total	**12**	**40**	**12**

Off payroll payments

Reporting related to the Review of Tax Arrangements of Public Sector Appointees

We are required by HMRC to make formal tax assessments of all workers directly engaged by the Trust, either through a personal service company (PSC) or through an agency, to ensure those individuals are paying the appropriate amount of tax and national insurance (known as IR35)..

Our tax policy ensures compliance with the Department of Health and HMRC guidelines. During 2021/22 all existing off-payroll engagements were subject to a risk-based assessment as to whether assurance needed to be sought that the individual was paying the right amount of tax. Where necessary, that assurance has been sought.

We do not have any cases where assurances have not been received or terminations have taken place as a result of assurances not being received.

HM Treasury requires public sector bodies to report arrangements where individuals are paid through their own companies (and so are responsible for their own tax and NI arrangements, not being classed as employees). We are required to disclose:

- For all off-payroll engagements as of 31 March 2022, for more than £245 per day and that last longer than six months.
- For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2021 and 31 March 2022, for more than £245 per day and that last for longer than six months.
- For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022.

The Trust has 136 relevant off-payroll engagements as of 31 March 2022, for more than £245 per day and that last longer than six months. All off-payroll engagements have been subject to a risk based assessment and assurance has been sought as to whether the individual is paying the right amount of tax.

For all off-payroll engagements as of 31 March 2022, for more than £245 per day and that last longer than six months:

	Number
Number of existing engagements as of 31 March 2022	136
Of which, the number that have existed:	
for less than one year at the time of reporting	26
for between one and two years at the time of reporting	29
for between 2 and 3 years at the time of reporting	17
for between 3 and 4 years at the time of reporting	14
over 4 years at the time of reporting	50

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2021 and March 2022, for more than £245 per day and that last for longer than six months:

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2021 and 31 March 2022	56
Of which:	
No. assessed as caught by IR35	12
No. assessed as not caught by IR35	41
No. engaged directly (via PSC contracted to the entity) and are on the entity's payroll	3
No. of engagements reassessed for consistency / assurance purposes during the year.	0
No. of engagements that saw a change to IR35 status following the consistency review	0

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

	Number
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements.	33

Trade Union Facility Time

The required disclosures are set out in Schedule 2 to The Trade Union (Facility Time Publication Requirements) Regulations 2017. All Trusts are within scope of the requirements. Full details of the Trade Union Facility Time disclosures are shown in the table below which shows the Facility Time information as reported for period up to March 2022 -

Relevant TU/PO Representative

What was the total number of your employees who were relevant TU/PO representatives during this period

Number of employees who were relevant TU/PO Representatives during the relevant period	*Full-time equivalent employee number*
27	**24.10**

Percentage of time spent on facility time

How many of your employees who were relevant TU/PO representatives employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	*Number of employees*
0%	**4**
1-50%	**21**
51%-99%	**1**
100%	**1**

Expenditure on consultancy (audited)

We spent £3.3m on consultancy services in 2021/22 (£2.8m in 2020/21).

Fair Pay Disclosure

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid Director in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration is further broken down to show the relationship between the highest paid Director's salary component of their total remuneration against the 25th percentile, median and 75th percentile of salary components of the organisation's workforce.

The banded remuneration of the highest paid Director of University Hospitals of Leicester in the financial year 2021/22 was £220-225k (2021/22, £215-220k), an increase of 2.3%. The relationship to the remuneration of the organisation's workforce is disclosed in the below table.
The median salary paid by the Trust in 2021/22 was £32,020 (restated 2020/21 £32,306) (a decrease of 0.9%

Year	25th percentile total remuneration ratio	Median total remuneration ratio	75th percentile total remuneration ratio
2021/22 Highest paid Director multiple of average earnings	9.6	6.9	5.1

As this disclosure is presented for the first time in 2021/22, there are no comparative figures for 2020/21.
The highest paid Director's remuneration consisted only of salary. They received no bonus or commission.
In 2021/22, 13 employees received remuneration in excess of the highest-paid director (12 employees in 2020/21). Remuneration across the Trust ranged from £8.6k-£397k (2020/21 £8k-£360k).
Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.
The movement in median pay represents a change in the mix of staff employed. NHS staff on Agenda for Change contracts received a 3% uplift in 2021/22.

Richard Mitchell
Chief Executive

11 May 2023

Our Parliamentary Accountability and Audit Report

Fees and Charges

Refer Note 6 in the Financial Statements

Remote contingent liabilities

There are no contingent liabilities in 2021/22

Other contingent liabilities
There are no known contingent liabilities in 2021/22.

Losses and special payments

Refer Note 30 in the Financial Statements

Gifts
The Trust has published maintains 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.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified opinion

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

In our opinion, except for the effects and the possible effects of the matters described in the *Basis for qualified opinion* section of our report, the financial statements:

- give a true and fair view of the state of the Group's and Trust's affairs as at 31 March 2022 and of the Group's and Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State for Health and Social Care with the consent of HM Treasury on 23 June 2022 as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2021/22; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

Basis for qualified opinion

Existence of certain Group and Trust plant, equipment and assets under construction assets included in property, plant and equipment

The Group and Trust have no system of control over tracking the location of physical assets, on which we could rely for our audit, for plant, equipment and assets under construction with a total net book value at 31 March 2022 of £113.8 million (2021: £124.3 million) for the Group and Trust. Due to the nature of the Group's and Trust's records there were no other satisfactory audit procedures that we could adopt and therefore we have been unable to obtain sufficient appropriate audit evidence regarding the existence of these assets. Any adjustments would have a consequential effect on the Group's and Trust's net assets as at 31 March 2021 and 31 March 2022 and their income and expenditure for the years then ended.

Comparative figures and impact on current period total comprehensive income for Group and Trust

As at 31 March 2021, the Group's and Trust's £46.3 million net book value of assets under construction included:

- £7.0 million of capital additions which were also included in the revaluation of land and buildings; and
- £6.0 million of capital additions that were completed as at 31 March 2021 and therefore which should have been reclassified to land and buildings and revalued.

Accordingly, assets under construction balance are overstated by £13 million as at 31 March 2021 for both the Trust and the Group. The £7.0m overstatement at 31 March 2021 has been released to the statement of comprehensive income in the current year and accordingly the current period total comprehensive income is understated by £7.0m. In relation to the £6.0m million, as no assessment of this matter on the valuation of land and buildings as at 31 March 2021 has been performed by management, it is not practicable for us to quantify the full effect of this matter. The effects and possible effects of this matter would have a consequential effect on the Group and Trust's income and expenditure for the year ended 31 March 2022 and for their net assets as at 31 March 2021.

In addition, we have not been provided with sufficient appropriate audit evidence over trade payables and accruals for the Group or the Trust as at 31 March 2021, or over their non-payroll operating expenses and property, plant and equipment additions for the year ended 31 March 2021. Errors had been identified in the amounts and period of items recorded. The Directors have not provided evidence to enable us to quantify the extent of these errors on the balances as at 31 March 2021 or

the consequential effects of any adjustments on the Group's and Trust's income and expenditure and statement of cash flows for the years ended 31 March 2022 and 2021.

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 qualified opinion.

Going concern

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

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of management, the Audit Committee and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud ,including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve statutory break-even duties and/or control totals delegated to the Group by NHS Improvement.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk that Group management may be in a position to make inappropriate accounting entries.

On this audit we 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 did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual combinations associated with cash, unusual combinations with revenue, those posted after the NHSE 2022 submission date and those containing "fraud" in the description that didn't relate to counter fraud investigations.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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 Directors and other management (as required by auditing standards), and discussed with the Directors and other management 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.

The *Qualified opinion* section of our report explains the implications of the matter described in the *Basis for qualified opinion* on compliance with the requirements of the National Health Service Act 2006 (as amended).

We are also required to make a referral to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 if we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

As outlined in the report on other legal and regulatory matters section of our report, we made a Section 30 referral to the Secretary of State on 20 January 2023.

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

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

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

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

Other information in the Annual Report

The Directors are responsible for the other information, 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:

- except for the consequential effects of the matters described in the Basis for qualified opinion section of our report on the related disclosures in the Other information, 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 Department of Health and Social Care Group Accounting Manual 2021/22. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared, in all material respects, in accordance with the Department of Health and Social Care Group Accounting Manual 2021/22.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 82, the Directors are 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's 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. As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on Page 81 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

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

We have identified the following significant weaknesses:

Significant Weakness 1 – Medium Term Financial Planning (Financial Resilience)

During the 2021/22 financial year the Trust prepared a draft Medium Term Financial Plan in order to inform its financial planning and wider Trust strategy. As at the end of March 2022 the version of the plan prepared by the Trust had a lack of detail in relation to key areas of the plan. These included the nature of the underlying deficit, the type and quantum of future cost savings achievable during each annual period within the plan and an agreed set of actions to be taken with or by system partners.

Until these areas are clarified the Trust does not have a robust platform on which to make informed decisions and will not be able to exit the financial special measures currently in place.

We recommend that the Trust should continue to expand the detail contained within the Medium Term Financial Plan and agree a common understanding of its medium term financial strategy with system partners.

Significant Weakness 2 – Risk Management (Governance)

At the end of the 2021/22 financial year the Trust had prepared a draft version of a Board Assurance Framework and was in the process of implementing a new risk management process, which included the introduction of a Board level risk management committee to focus on risk matters.

Until this process is fully embedded the Trust is at risk of not fully capturing or responding to areas of risk which may impact on the quality of services provided.

We recommend that the Trust should work to embed the new risk management process both at Board level and within Clinical Management Groups and improve the content of information held within risk management documentation.

Significant Weakness 3 – Contract Management (Economy, Efficiency and Effectiveness)

At the end of the 2021/22 financial year the Trust was in the process of implementing the recommendations made as part of an internal audit report into contact management which was issued during the year. Whilst the action plan developed by the Trust and the oversight of its delivery is considered to be robust the actions were not sufficient embedded at the end of the period. As such the Trust is at risk of not achieving economy, efficiency and effectiveness in the management of individual contracts.

We recommend that the Trust continues to implement the agreed action plan and where significant contracts are subject to renewal prior to the action plan being complete a separate assessment is undertaken as to whether specific action can reduce the risks noted.

Significant Weakness 4 – Asset Verification Control (Governance)

As at the end of the 2021/22 financial year management of the Trust were unable to verify the existence of plant and equipment assets due to limited system of control over tracking the location of physical asset being in place. Due to the issue being of sufficient significance to drive a modification of the audit opinion we consider that the lack of control being implemented represents a significant weakness in governance processes. We recommend the Trust formally undertakes an exercise to verify the existence of assets within departments and assess the materiality of non-responses to determine if further work is required.

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

As explained in the statement set out on page 81, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(2A) of the Local Audit and Accountability Act 2014 to be satisfied 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 we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We made a Section 30 referral to the Secretary of State on 20 January 2023 as the Trust continues to be in breach of its 'breakeven duty' set out at paragraph 2(1) of Schedule 5 to the National Health Service Act 2006.

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

This report is made solely to the Board of Directors of University Hospitals of Leicester NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board 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 Board of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

CERTIFICATION OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of University Hospitals of Leicester NHS Trust for the year ended 31 March 2022 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Jonathan Brown
for and on behalf of KPMG LLP
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

15 May 2023

University Hospitals of Leicester NHS
NHS Trust

Statement of the Chief Executive's responsibilities as the Accountable Officer of the trust

The Chief Executive of NHS England has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

· there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance

· value for money is achieved from the resources available to the Trust

· the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them

· effective and sound financial management systems are in place and

· annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed.....**Chief Executive**

11 May 2023

Statement of Directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the Directors are required to:

· apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury

· make judgements and estimates which are reasonable and prudent

· state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and

· prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

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

By order of the Board

11 May 2023.....Chief Executive

11 May 2023.....Chief Financial Officer

Overview of the 2021/22 Financial Position

The financial year ending on 31 March 2022 has been another challenging year for the Trust due to the on-going impact of COVID-19. The year has seen changes in the NHS Financial Regime in response to the pandemic as well as the start of moves to reset and recover services. The Trust's Finance and Procurement Directorate played an integral part in the Trust's response to the COVID-19 pandemic. This included ensuring delivering business as usual financial services to our customers and suppliers and ensuring that at all times the Trust had the personal protective equipment in the areas that needed it, reconfiguring wards and other hospital areas and continuing its contribution to the effective delivery of the Leicestershire vaccination programme.

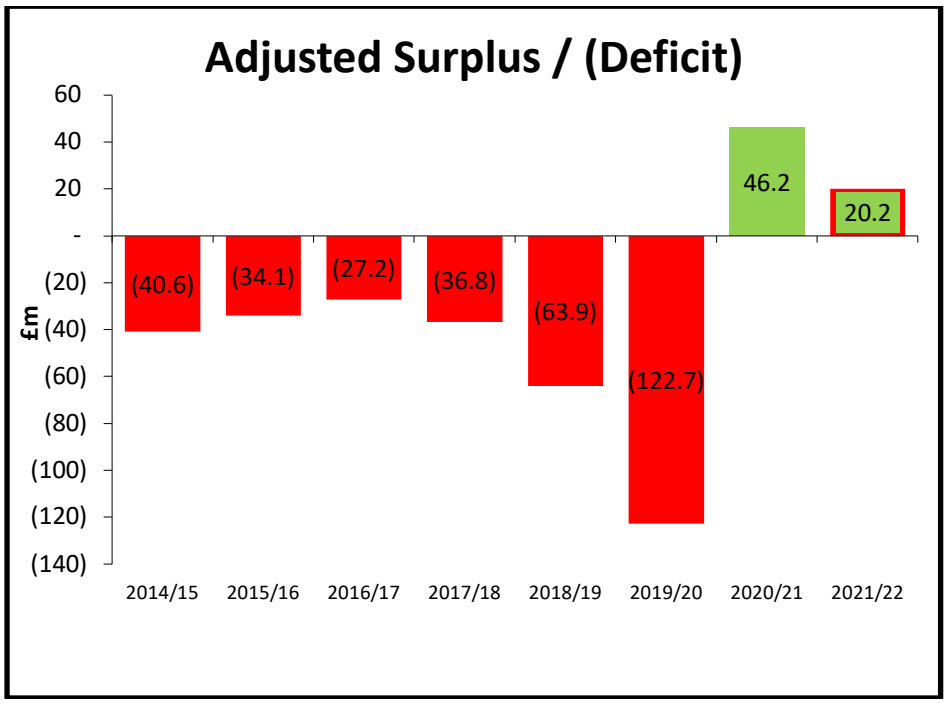
The Trust is required to meet certain financial duties, in order to provide assurance to the taxpayer on how public funds have been managed. Each NHS Trust is required to ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to revenue account. With the exception of this 3 year cumulative breakeven financial duty, the Trust achieved its statutory financial duties, including delivering in year financial balance and maintaining capital spending cash and borrowing within the limits set by DHSC, as set out in the table below.

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

- a revenue surplus, after technical adjustments, of £20.2m, following a surplus of £46.2m in 2020/21
- a record level of capital investment of £75.3m
- Delivery of a Cost Improvement of £17.1m, compared with £8.8m in 2020/21.
- Reconfiguration and modernisation Programme enabling work.
- cash balance of £110.0m;
- High achievement against the Better Payments Practice Code for paying suppliers promptly of 94%,

Work continues to strengthen the financial control environment and address the accounting issues that have resulted in the Trust moving from a disclaimer of opinion by the auditors in 2019/20, to an adverse audit opinion in 2020/21, and a qualified audit opinion in 2021/22. Whilst not yet satisfactory, this movement in opinion reflects the improvements in control and record keeping that have been taking place. If the Trust can demonstrate improved financial governance through 2022/23, we remain hopeful of securing an improved audit opinion in 2022/23. To this end the Trust has developed and is implementing a Financial Improvement Plan.

Adjusted retained surplus/(deficit)



Income and Expenditure Summary

As can be seen in the graph above, the Trust benefited in 2020/21 and to a lesser extent in 2021/22 from a change in the NHS funding regime and a relaxation of financial constraints during the pandemic, compared with previous years, with nationally mandated block payments replacing normal contract mechanisms to cover the cost of services. This ensured that NHS organisations had sufficient funding to respond to the pandemic and could focus on delivering safe patient care during this challenging time. As the NHS emerged out of the pandemic during 2021/22, there is a clear expectation, nationally, that providers must transition towards business as usual which would see overall funding levels reduced from those currently experienced as a result of the pandemic.

One of the Trust's strategic goals is financial sustainability. Achieving a sustainable revenue surplus is a clear measure of success against this goal in addition to meeting the statutory duty to achieve breakeven. A sustainable surplus is important because the cash generated can be invested in subsequent years as capital expenditure to maintain and improve our estate, purchase medical equipment or develop our digital infrastructure to provide modern healthcare to our patients in safe surroundings. As the Trust moves away from the Covid funding regime in 2022/23, the challenge of delivering sustainable finances is significant.

The Trust delivered a £20.2m reported surplus after adjustment for:

- the impact of impairment reversals (favourable £3.0m)
- the net impact of PPE consumables donated by Department of Health (favourable £1.2m), offset.
- the removal of capital donations and grants (adverse £1.1m)
- and gains on the sale of land (Hospital Close) of £0.5m

During the year, the financial regime introduced in 2020/21 continued. Due to the pandemic, the national tariff payments system and associated processes remained suspended with fixed funding arrangements at a System level (LLR ICS) including support for COVID-19 expenditure. In addition to the fixed funding arrangement, systems had access to additional funding through the Elective Recovery Framework (ERF)

The table below illustrates the income received over the year from different sectors, compared with previous years:

Income Received from Different Sectors	**2016/17 Actual £000s**	**2017/18 Actual £000s**	**2018/19 Actual £000s**	**2019/20 Actual £000s**	**2020/21 Actual £000s**	**2021/22 Actual £000s**
NHS England	258,067	288,791	305,886	350,224	380,632	395,912
Clinical Commissioning Groups	513,658	522,902	542,245	539,952	685,583	765,772
Department of Health and Social Care	-		10,625	18,494		
Non NHS Private Patients	2,864	2,872	2,821	2,798	1,641	2,740
Other income from Patient Care	5,993	5,766	2,894	34,491	1,515	2,131
Other operating income	143,687	127,958	129,845	144,616	212,142	153,589
Total Income	**924,269**	**948,289**	**994,316**	**1,090,575**	**1,281,513**	**1,320,144**

Included in the above is income from NHS England of £13.8m relating to the reimbursement of costs incurred by the Trust in responding to the COVID-19 pandemic including for the vaccination programme, for virus testing and for the Nightingale Surge Hub, which the Trust hosted.

Included in "Other Operating" income above is donations from a number of charities and organisations who generously support our services by funding equipment purchases, research activity, specialist staffing or environmental enhancements. The Trust is grateful to all the charities from which it receives support. The UHL Charity, is the official charity partner of the Trust. It has continued to raise funds on our behalf and worked closely with our staff to raise the profile of our services.

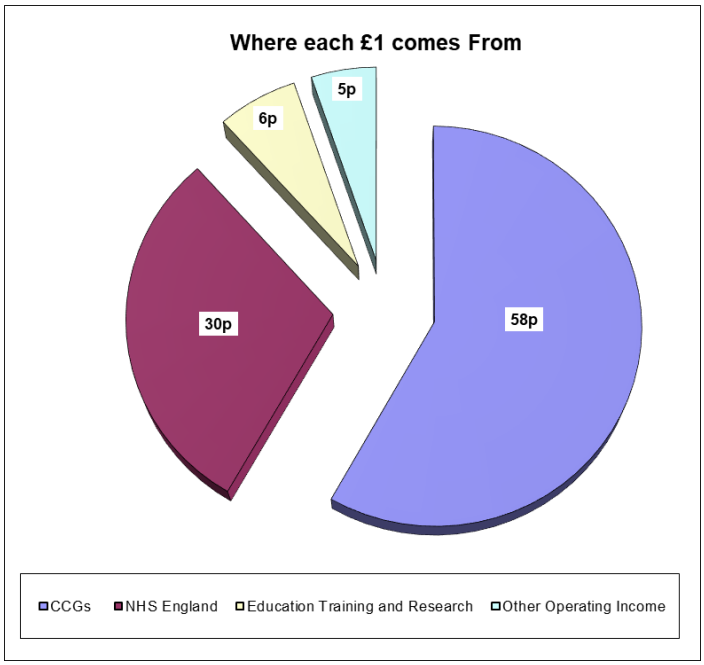
Summarised breakdown of expenditure during 2021/22	**2016/17 Actual £000s**	**2017/18 Actual £000s**	**2018/19 Actual £000s**	**2019/20 Actual £000s**	**2020/21 Actual £000s**	**2021/22 Actual £000s**
Staffing	575,895	597,876	629,537	698,996	745,371	777,761
Drugs	102,168	105,789	102,124	107,139	124,239	127,949
Clinical Supplies and Services	103,653	109,211	117,635	124,593	128,314	142,808
Depreciation and Amortisation	26,407	27,663	32,176	34,991	37,030	39,499
Clinical Negligence	23,724	27,398	30,664	31,927	34,744	38,204
Premises	33,308	33,753	43,469	54,976	48,019	52,572
Research and Development	22,932	34,376	35,763	36,124	35,254	38,680
Other Cperating costs	78,216	49,535	61,262	107,866	59,020	62,098
Total Income	**888,087**	**936,066**	**1,052,630**	**1,088,746**	**1,211,991**	**1,279,571**

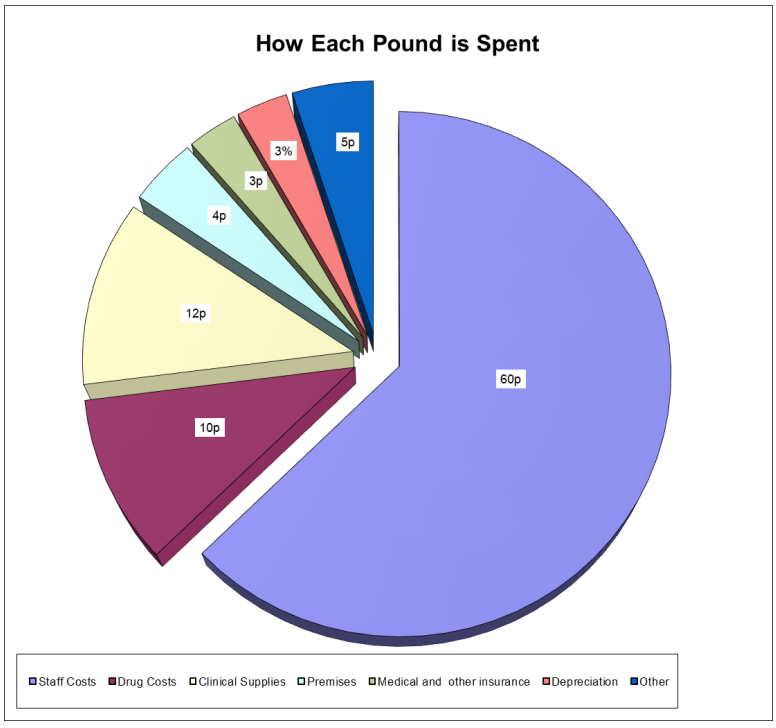
- The 2020/21 and 2021/22 expenditure position included costs incurred during the year which are directly attributable to COVID-19, which was spent on the vaccination programme, virus testing, personal protective equipment and the Nightingale surge hub, which were offset by income from NHS England.

- Employment costs have increased by £32.4m during the year. This mainly related to the cost of national pay awards incurred in the year of £28.9m.

- To achieve its surplus, the Trust delivered an efficiency programme of £17.1m. The Trust seeks to identify and remove wasteful practices, procedures or delays which impede great patient experience. Financial savings being a by-product of introducing improvements in the way we communicate with and treat patients in our care.

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

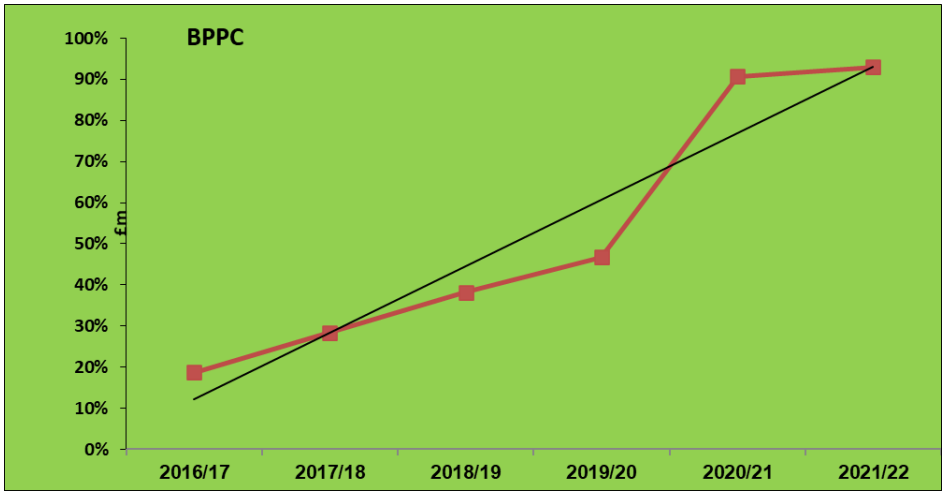




Better Payments Practice Code

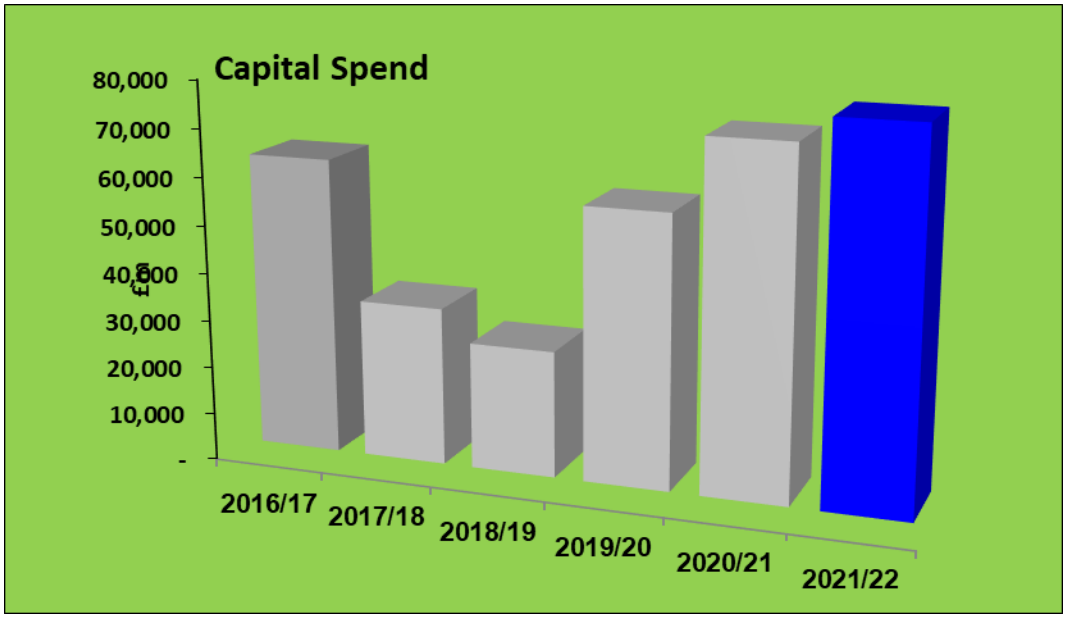
The change in the NHS finance regime and the move to block contract payments, alongside better invoicing and debt collection processes has helped to improve our liquidity position. The result has been an improvement in our Better Payments Practice Code compliance percentage with 93% of valid supplier invoices now being paid within 30 days or their due date (if later).

The table below shows the improvement over the past few years. In challenging economic times it is particularly important to support our suppliers and local businesses by ensuring prompt payments are made to them so it is particularly pleasing to see the improvement.



Capital Investment

In 2021/22, capital investment increased to £75.3m. This level of expenditure on our estate, medical equipment and IT is a record for the Trust. The table and graph below show how we have been able to build our level of capital expenditure in the last five years.



The main areas of capital investment over the last 5 years are presented in the table below. In 2021/22, there was significant investment in Estates infrastructure, Medical equipment, including a new linear accelerator, IT modernisation, including the digital aspirant programme, as well as continued investment in the Trust's reconfiguration programme, including nephrology relocation and the Children's Hospital development. The Trust also re-purchased the paddock land at Glenfield from a housing developer.

	2017/18	.2018/19	2019/20	2020/21	2021/22
Building & Engineering	23,767	5,997	8,388	12,390	19,097
Equipment	6,558	3,542	9,860	21,165	24,277
IT	2,971	5,159	6,983	7,249	13,964
Reconfiguration		1,080	257	6,445	11,492
Children' Hospital		2,268	3,885	12,303	
Covid-19			83	6,419	
ICU		8,611	22,188	6,574	
Land Purchase					6,447
Other			5,515		
Total	**33,296**	**26,656**	**57,159**	**72,545**	**75,277**

Financial Outlook

The main focus of 2021/22 was the recovery and delivery of elective and cancer related work, with a clear expectation that from 2022/23 that there will be a full transition towards a normal financial regime, which would see overall funding levels reduce from those experienced as a result of the pandemic. As the Trust moves away from the Covid funding regime, the Trust recognises the challenge of achieving sustainable financial balance.

It is clear that NHS finance continues to be shaped and influenced by the COVID-19 pandemic for a number of years. The national planning guidance issued in late December 2021 set the challenge for the NHS to tackle service recovery based on COVID-19 being at the lowest levels seen since the start of the pandemic. This is in the context of a broadly "flat cash" funding position where the NHS has essentially the same funding as it did in 2021/22, with the significant investment that had been provided to manage COVID-19 being largely repurposed to elective recovery and other priorities. As a result of the above it is clear that there is going to be huge financial pressure in the system in 2022/23. The Trust is working to deliver its plan of a balanced financial position.

The Capital programme for 2022/23 of £95m, which in addition to investment in the core areas highlighted above includes over £20m expansion of facilities, in the form of elective and pre-transfer hubs, two new linear accelerators, a new surgery robot, increased ward and theatre capacity and a new Endoscopy decontamination All these initiatives will help to improve patient flow and throughput through the Trust and support the Trust in restoring activity to pre-pandemic levels to ensure our patients receive high quality care they need within appropriate timeframes.

The Health and Care Act 2022 has now received royal assent. Under the Act Integrated Care Boards will replace Clinical Commissioning Groups with effect from 1st July 2022 bringing a much greater focus on health system working and collaboration across local health economies for the benefit of patients. Within Leicestershire, Leicester and Rutland, there has already been much work on collaboration. This will continue to be a major area of focus

in 2022/23 and beyond. The Trust continues to develop its medium term financial strategy inform the development of the annual financial plan for the Trust. The Trust actively engages commissioners, regulators (NHS Improvement), and other partners to develop and agree detailed financial and operational plans. The Trust is working with its system partners across the LLR Integrated Care System (ICS) and engaged in the Leicester wide sustainability and transformation plan. Planning takes account of system initiatives and their impact to ensure that planning within the broader ICS is aligned. These detailed operational plans and budgets are approved by the Board.

The outlook for finance as described above is uncertain. However, the strong partnership working put it in the best possible place to meet these challenges.

Going Concern

The Accounts are presented for both the 'Trust' and 'Group', including the consideration of the Trust's private Pharmacy Company subsidiary and the Trust charity. The Accounts have been prepared on a 'going concern' basis. The definition of going concern in the public sector focuses on the expected continued provision of services by the public sector rather than a specific organisational form. This means that even when a body is going to cease to exist, it does not affect its going concern status. The FReM (financial reporting manual) guidance is that the financial statements are prepared on a going concern basis unless there are plans for, or no realistic alternative other than the dissolution of the Trust without the transfer of its services to another entity within the public sector.

The Board of Directors has carefully considered the principle 'going concern' and the Directors have concluded that, having made appropriate enquiries, the Trust has adequate financial resources and there are not material uncertainties related to the financial position of the Trust and Group that would compromise the continued delivery of the operational services of the Trust. As directed by the DHSC Group Accounting Manual 2021/22 the Directors have therefore prepared the financial statements on this basis as they consider that the services currently provided by the Trust will continue to be provided in the future.

Financial Statements

Accounting Policies

The Annual Accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and accounting policies. Their preparation has been guided by the 2021/22 Group Accounting Manual issued by the Department of Health and Social Care. They represent a "true and fair view" of our activity in 2021/22, are materially accurate and contain no known misstatements or errors of such magnitude that they would mislead the reader with regard to the financial standing of the Trust. We are required to disclose related undertakings as required by the section 409 of the Companies Act 2006. Trust Group Holdings (TGH) Hospital Pharmacy Services Nottingham (HPSN) Limited is a wholly owned subsidiary of The University of Leicester Hospitals NHS Trust. The Accounts are presented for both the "Group" and "Trust", in accordance with the Group accounting standards (IFRS 10).

External Auditors
We employed the services of KPMG as the external auditor for the Trust. The auditors perform their work in accordance with the Audit Commission's Code of Practice. The Codes of Audit Practice define the scope, nature and extent of local audit work. The main areas of work included the audit of financial statements and review of our arrangements for securing economy, efficiency and effectiveness in our use of resources (value for money).

KPMG charged audit-related fees of £350k (excluding VAT) for The Trust and £30k (excluding VAT) for TGH. We did not receive any non-audit services from KPMG in 2021/22.

Fraud Awareness
We comply with the National Counter Fraud Initiative and the Trust has an accredited local counter fraud specialist.

Foreword to Accounts
The Accounts for the year ended 31 March 2022 have been prepared by the University Hospitals of Leicester NHS Trust under section 98(2) of the NHS Act 1977 (as amended by section 24(2) schedule 2 of the NHS and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

University Hospitals of Leicester NHS Trust

Annual accounts for the year ended 31 March 2022

Consolidated Statement of Comprehensive Income

	Note	Group 2021/22 £000	2020/21 £000
Operating income from patient care activities	3	1,166,555	1,069,371
Other operating income	4	153,588	212,142
Operating expenses	6, 8	(1,279,571)	(1,211,991)
Operating surplus from continuing operations		**40,572**	**69,522**
Finance income	11	180	108
Finance expenses	12	(1,133)	(1,520)
PDC dividend		(16,912)	(13,118)
Net finance costs		**(17,865)**	**(14,530)**
Other gains / (losses)	13	321	(23)
Corporation tax expense		(25)	(6)
Surplus/(deficit) for the year		**23,003**	**54,963**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	-	-
Revaluations	16.1	12,125	2,383
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains on financial assets mandated at fair value through OCI	18	196	880
Total comprehensive income for the period		**35,324**	**58,226**
Surplus/(deficit) for the period attributable to:			
University Hospitals of Leicester NHS Trust		23,003	54,963
TOTAL		**23,003**	**54,963**
Total comprehensive income/ (expense) for the period attributable to:			
University Hospitals of Leicester NHS Trust		35,324	58,226
TOTAL		**35,324**	**58,226**
Adjusted financial performance (control total basis):			
Surplus for the period (before consolidation of charity)		23,556	57,316
Add/(Less) back all I&E impairments / (reversals)m		(3,042)	(80)
Surplus / (deficit) for the period (impairments and transfers)		**20,514**	**57,236**
Remove I&E impact of capital grants and donations		(1,114)	(9,391)
Gains on disposal of assets		(450)	-
COVID response		1,224	(1,684)
Adjusted financial performance surplus		**20,174**	**46,161**

Statements of Financial Position

	Note	Group 31 March 2022 £000	Group 31 March 2021 £000	Trust 31 March 2022 £000	Trust 31 March 2021 £000
Non-current assets					
Intangible assets	15	16,122	9,262	16,122	9,262
Property, plant and equipment	16	655,056	611,100	655,041	611,081
Other investments / financial assets	18	5,362	5,185	4,000	4,000
Receivables	21	3,445	4,728	3,445	4,728
Total non-current assets		**679,985**	**630,275**	**678,608**	**629,071**
Current assets					
Inventories	20	21,126	20,837	19,530	19,628
Receivables	21	33,614	23,925	32,496	24,375
Non-current assets held for sale	22	-	10,100	-	10,100
Cash and cash equivalents	23	112,417	106,423	108,442	99,809
Total current assets		**167,157**	**161,285**	**160,468**	**153,912**
Current liabilities					
Trade and other payables	24	(145,348)	(124,387)	(145,304)	(124,081)
Borrowings	26	(7,658)	(19,256)	(7,658)	(19,256)
Provisions	29	(8,153)	(16,440)	(8,116)	(16,405)
Other liabilities	25	(3,799)	(2,177)	(3,799)	(2,177)
Total current liabilities		**(164,958)**	**(162,260)**	**(164,877)**	**(161,919)**
Total assets less current liabilities		**682,184**	**629,300**	**674,199**	**621,064**
Non-current liabilities					
Borrowings	26	(12,586)	(12,073)	(12,586)	(12,073)
Provisions	29	(4,902)	(5,869)	(4,902)	(5,869)
Total non-current liabilities		**(17,488)**	**(17,942)**	**(17,488)**	**(17,942)**
Total assets employed		**664,696**	**611,358**	**656,711**	**603,122**
Financed by					
Public dividend capital		760,831	742,817	760,831	742,817
Revaluation reserve		188,573	189,145	188,573	189,145
Income and expenditure reserve		(292,399)	(328,652)	(292,693)	(328,840)
Charitable fund reserves	19	7,691	8,048		
Total taxpayers' equity		**664,696**	**611,358**	**656,711**	**603,122**

The notes on pages 98-142 form part of these accounts.

Name Richard Mitchell
Position Chief Executive
Date 11 May 2023

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**742,817**	**189,145**	**(328,652)**	**8,048**	**611,358**
Surplus/(deficit) for the year	-	-	21,490	1,513	**23,003**
Revaluations	-	12,125	-	-	**12,125**
Transfer to retained earnings on disposal of assets	-	(7,090)	7,090	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	196	**196**
Public dividend capital received	18,014	-	-	-	**18,014**
Other reserve movements	-	(5,607)	7,673	(2,066)	**-**
Taxpayers' and others' equity at 31 March 2022	**760,831**	**188,573**	**(292,399)**	**7,691**	**664,696**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**369,325**	**192,654**	**(391,860)**	**9,521**	**179,640**
Prior period adjustment	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2020 - restated	**369,325**	**192,654**	**(391,860)**	**9,521**	**179,640**
Surplus/(deficit) for the year	-	-	52,397	2,566	**54,963**
Impairments	-	-	-	-	**-**
Revaluations	-	2,383	-	-	**2,383**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	880	**880**
Public dividend capital received	373,492	-	-	-	**373,492**
Other reserve movements	-	(5,892)	10,811	(4,919)	**-**
Taxpayers' and others' equity at 31 March 2021	**742,817**	**189,145**	**(328,652)**	**8,048**	**611,358**

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	**742,817**	**189,145**	**(328,840)**	**603,122**
Surplus/(deficit) for the year			23,450	**23,450**
Revaluations		12,125		**12,125**
Transfer to retained earnings on disposal of assets		(7,090)	7,090	**-**
Public dividend capital received	18,014			**18,014**
Other reserve movements		(5,607)	5,607	**-**
Taxpayers' and others' equity at 31 March 2022	**760,831**	**188,573**	**(292,693)**	**656,711**

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

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**369,325**	**192,654**	**(392,034)**	**169,945**
Surplus/(deficit) for the year			57,302	**57,302**
Revaluations		2,383		**2,383**
Public dividend capital received	373,492			**373,492**
Other reserve movements		(5,892)	5,892	**-**
Taxpayers' and others' equity at 31 March 2021	**742,817**	**189,145**	**(328,840)**	**603,122**

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.

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 19.

Statements of Cash Flows

	Note	Group 2021/22 £000	Group 2020/21 £000	Trust 2021/22 £000	Trust 2020/21 £000
Cash flows from operating activities					
Operating surplus / (deficit)		40,572	69,522	41,115	71,963
Non-cash income and expense:					
Depreciation and amortisation	6.0	39,499	37,030	39,497	37,028
Net impairments	7	(3,042)	(80)	(3,042)	(80)
Income recognised in respect of capital donations	4	(504)	(5,041)	(2,570)	(9,960)
(Increase) / decrease in receivables and other assets		(8,396)	21,710	(6,738)	21,246
(Increase) / decrease in inventories		(289)	(1,263)	98	(1,571)
Increase / (decrease) in payables and other liabilities		21,042	11,483	9,187	11,085
Increase / (decrease) in provisions		(9,119)	579	(9,121)	562
Movements in charitable fund working capital		(214)	1,087		
Tax (paid) / received		(6)	(10)		
Other movements in operating cash flows		(540)	(4,900)		
Net cash flows from / (used in) operating activities		**79,003**	**130,117**	**68,426**	**130,273**
Cash flows from investing activities					
Interest received		59	-	59	-
Purchase of intangible assets		(7,460)	(83)	(7,460)	(83)
Purchase of PPE and investment property		(55,861)	(56,365)	(44,030)	(56,365)
Sales of PPE and investment property		10,550	3	10,550	3
Receipt of cash donations to purchase assets		342	755	1,849	755
Net cash flows from charitable fund investing activities		121	108		
Net cash flows from / (used in) investing activities		**(52,249)**	**(55,582)**	**(39,032)**	**(55,690)**
Cash flows from financing activities					
Public dividend capital received		18,014	373,492	18,014	373,492
Movement on loans from DHSC		-	(349,586)		(349,586)
Movement on other loans		-	(2,125)		(2,125)
Capital element of finance lease rental payments		(7,731)	(6,963)	(7,731)	(6,963)
Interest on loans		-	(1,139)		(1,139)
Other interest		(90)	(266)	(91)	(266)
Interest paid on finance lease liabilities		(1,773)	(1,285)	(1,773)	(1,285)
PDC dividend (paid) / refunded		(17,013)	(12,699)	(17,013)	(12,699)
Net cash flows from / (used in) financing activities		**(8,593)**	**(571)**	**(8,594)**	**(571)**
Increase / (decrease) in cash and cash equivalents		**18,161**	**73,964**	**20,800**	**74,012**
Cash and cash equivalents at 1 April - brought forward		**94,256**	**20,292**	**87,642**	**13,630**
Cash and cash equivalents at 31 March	23	**112,417**	**94,256**	**108,442**	**87,642**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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

Note 1.1.1 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.

The Trust reported a surplus of £12,772k in 2021/22 and did not seek any additional cash support from NHS Improvement (NHSI) in the year. The Trust held cash resources of £108m at 31 March 2022.

The Directors have concluded that assessing the Trust and group as a going concern remains appropriate.

Note 1.3 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.
We consider going concern to be a critical judgement and this is discussed in section 1.2.

Note 1.3 Critical judgements in applying accounting policies (cont'd)

Valuation of the Trust's estate

The Trust engaged its valuers, Gerald Eve LLP, to revalue its estate as at the 31st March 2022. This revaluation applied a Modern Equivalent Asset (MEA) valuation methodology, which took into account the Trust's long term reconfiguration strategy. The Trust provided the valuers with the latest iteration of the Estates Strategy to inform the MEA valuation.

Depreciation

We depreciate our assets over their useful economic lives. For buildings and dwellings the useful economic lives are set by the Trust's external expert valuers. For medical equipment we are advised of the useful economic lives by the internal medical physics department which is responsible for the overall management of this equipment. For other equipment we make an assessment of the useful economic lives in a number of ways including reference to the manufacturers recommendations or by a review of external sources including NHS capital guidance.

Note 1.4 Sources of estimation uncertainty

Income
The main income streams with the main areas of estimation uncertainty are covered in this section.

Timing of income recognition
There is some uncertainty around income recognition particularly in relation to work in progress and maternity pathway income at the year end, where some estimation is made as to the value of these totals. As agreement with NHS counterparties is necessary within the agreement of balances exercise for these balances we do not consider this is a significant risk.

Deferred income
Whilst we release income in the period to which it relates, at the time of the deferral there may be some uncertainty over the timing of future expenditure, particularly in research and development where projects may span several accounting periods.

Valuation of assets
The value of our land and buildings is based on a Modern Equivalent Asset valuation which uses an estimate of the future likely configuration of our estate. There is some inherent uncertainty in this estimate as our reconfiguration plans may be further developed over the next five years.

Depreciation
Whilst we aim to give informed useful economic lives to our assets there is a degree of uncertainty in relation to the level of usage of the assets and the level of wear and tear which may reduce the life of the asset below the initial life allocated. Also, due to constraints around the availability of capital we may keep assets in use longer than originally planned. We assess the useful economic lives of our assets on an annual basis.

Note 1.5 Consolidation

NHS Charitable Funds

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

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:
• recognise and measure them in accordance with the Trust's accounting policies and
• eliminate intra-group transactions, balances, gains and losses.

Other subsidiaries

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.

The amounts consolidated are drawn from the draft financial statements of the subsidiary for the year.

Where subsidiaries' accounting policies are not aligned with those of the Trust then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Trust Group Holdings Ltd

The Trust currently consolidates one subsidiary in addition to the Leicester Hospitals Charity - Trust Group Holdings Limited (the Company). The Company is registered in the UK, company number 10388315, with a share capital comprising one share of £1 owned by the Trust. The company commenced trading on the 1 April 2017 as an Outpatient Dispensary service for the Trust. The service is provided across the three UHL sites, operating in normal business hours. A significant proportion of the company's revenue is inter group trading with the Trust which is eliminated upon the consolidation of these group financial statements.

Note 1.6 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.
The Trust receives income from its subsidiary, Trust Group Holdings, in relation to the provision of administrative services provided by the Trust to the subsidiary. This income is adjusted out of the group position upon consolidation of the group accounts position.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Since 2020/21, the majority of the trust's income from NHS commissioners has been in the form of block contract arrangements. The Trust predominantly receives block funding from its commissioners, where funding envelopes are set at an Integrated Care System level, although contract variations to reflect additional commissioner allocations can be agreed and the majority of excluded drugs and devices from Specialised Commissioners are paid as pass through. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.
The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.
In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration
Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.
Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.
The Trust establishes a provision for credit notes where there are any disputes to its receivables from other NHS organisations within the year end agreement of balances exercise.
The Trust does not receive income where a patient is readmitted within 30 days of discharge from a previous planned stay. This is considered an additional performance obligation to be satisfied under the original transaction price. An estimate of readmissions is made at the year end this portion of revenue is deferred as a contract liability.

Note 1.6 Revenue from contracts with customers (cont'd)

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.

Revenue grants and other contributions to expenditure

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.

Provider Sustainability Fund (PSF) and Financial Recovery Fund (FRF)

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from these funds is accounted for as variable consideration.

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), the corresponding notional expense is also recognised at the point of recognition for the benefit.

Approach to unrecoverable debt

The Trust recognises a loss allowance at an amount equal to lifetime expected credit losses (ECLs) under IFRS9's simplified approach – as mandated by HM Treasury. This applies to non-NHS Trade receivables; other long-term trade receivables; contract assets; and lease receivables.

Approach to unrecoverable debt (cont'd)

We apply a simple 'provision matrix' to calculate the loss allowance and this approach is permitted under IFRS 9. Our closing general provision was based on the following assumptions.

- 0 to 90 days old - 0% allowance
- 91 to 180 days old - 25% allowance
- 181 to 365 days old - 75% allowance
- Over 365 days old - 100% allowance

We also adjust specific categories of debt (such as education, local authorities and overseas visitors) based on the likely level of irrecoverability as determined by the accounts receivable manager and team, taking into account historic levels of write offs and advice from solicitors and debt collection agencies. We increase the loss allowance for riskier debt categories

Note 1.7 Expenditure on employee benefits

Note 1.7.1 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 entitled to carry forward leave into the following period.

Note 1.7.2 Pension costs

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

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

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

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

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

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

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

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

Note 1.8 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a noncurrent asset such as property, plant and equipment.
The Trust has a policy of not accruing for expenditure below £5k apart from system generated accruals.

Note 1.9 Property, plant and equipment

Note 1.9.1 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 asset are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

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

Note 1.9.2 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 which were most recently held for their service potential, but which are surplus with no plans to bring them back into use, are 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.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:
- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

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

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.

Note 1.9.2 Measurement (cont'd)

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.
Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

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 income.
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' if the sale is highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.
Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Revaluations of property, plant and equipment

The Trust has revalued its assets with an effective date of revaluation of 31st March 2022.
The Trust's freehold and leasehold property values were updated by an external valuer, Gerald Eve LLP, a regulated firm of chartered surveyors. The valuation was prepared in accordance with the requirements of the RICS Professional Standards, the International Valuation Standards and IFRS.
The valuation has been prepared in accordance with the Government Financial Reporting Manual (FReM) to comply with IFRS, specifically with regard to IAS 16 'Property, Plant and Equipment' and IAS 40 'Investment Properties'.
The valuer's opinion of Fair Value was primarily derived using the Depreciated Replacement Cost approach to value the service potential, on a Modern Equivalent Asset (MEA) basis. The MEA valuation was based on the Trust's estates strategy, which outlines a five year major reconfiguration for the Trust's estate, and which effectively defines the Modern Equivalent Asset for the valuation.
The Trust's estates strategy is consistent with its clinical strategy and both strategies are intrinsically linked as we must reconfigure our estate in order to deliver our clinical strategy. We provided our estates strategy to our valuers, Gerald Eve LLP, to enable them to provide a more accurate MEA valuation based on our actual plans and future Trust configuration.
As a result of this valuation the Trust has a revaluation gain of £2,383k which is included within Other Comprehensive Income in the SOCI. This figure is removed from the Adjusted Financial Performance figure in accordance with Department of Health (DH) Accounting guidance.

Notes to the Accounts (cont'd)

Note 1.9.2 Measurement (cont'd)

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at current value for existing use as they are held for service potential. 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.

Useful Economic lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	**-**	**-**
Buildings, excluding dwellings	**8**	**87**
Dwellings	**7**	**50**
Plant & Machinery	**7**	**20**
Transport Equipment	**8**	**15**
Information technology	**3**	**12**
Furniture & fittings	**8**	**31**

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

Note 1.10 Intangible assets

Recognition
Intangible assets are non-monetary assets without physical substance which are capable of being sold separately 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 only where all of the following can be demonstrated:
- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Trust intends to complete the asset and sell or use it
- the Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a marke for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or us the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

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

Note 1.10 Intangible assets (cont'd)

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.

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

Useful Economic lives of property, plant and equipment

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

	Min life	Max life
	Years	Years
Software licences	**1**	**9.5**

Donations of property, plant and equipment
The majority of donated assets have been purchased on behalf of the Trust by the Leicester Hospitals Charity.

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. Physical stock counts are performed as close to 31 March as possible and the exact timing takes into account the disruption to clinical areas. For example, theatre stock is counted at weekends close to 31 March when the theatres are not in operation.
A small number of areas use external experts to count inventory, for example, within the catheter laboratories. In all such cases we ensure that a member of UHL staff is also present during the stock count.
We estimate the value of materials management and pharmacy ward stocks as these are areas not physically counted. We use a proportion of the maximum stock levels in these areas to estimate the stock held at year end.
The cost of any obsolete stock is charged to operating expenditure and also reported within Losses and Special Payments.
The Trust's Healthcare at Home services are provided by its subsidiary, TrustMed Pharmacy, and the stock in relation to this service is held by TrustMed Pharmacy until delivered to patients at home.

Inventories held by the Trust Subsidiary - TrustMed Pharmacy
Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:
Raw materials, consumables and goods for resale:– purchase cost on a first-in, first-out basis.

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

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

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

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets 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. Losses are charged directly to operating expenditure where an expected credit loss provision previously has not been recognised.

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

Note 1.15.1 The Trust as lessee

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

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

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

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

Note 1.15.2 The Trust as lessor

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

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

Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	0.47%	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	After 10 years up to 40 years	0.95%	1.99%
Very long-term	Exceeding 40 years	0.66%	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2022:

	Inflaion rate	Prior year rate
Year 1	4.00%	1.20%
Year 2	2.60%	1.60%
In to perpetuity	2.00%	2.00%

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

Clinical negligence costs
NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 30 but is not recognised in the Trust's accounts.

Non-clinical negligence costs
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 1.17 Contingencies

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

Contingent liabilities are not recognised, but are disclosed unless the probability of a transfer of economic benefits is remote.

Note 1.18 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health and Social Care as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- donated assets and grant funded assets
- charitable funds
- average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF deposits (excluding cash balances held in GBS accounts that relate to a short-term working capital facility)
- approved expenditure on COVID-19 capital assets
- assets under construction for nationally directed schemes
- any PDC dividend balance receivable or payable.

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 Corporation tax

The Trust has no corporation tax liability itself however the Trust's subsidiary is liable to pay corporation tax and this is recognised in the group accounts.

Note 1.21 Third party assets

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

Note 1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.23 Gifts

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

Note 1.24 Transfers of functions from other NHS bodies

As public sector bodies are deemed to operate under common control, business reconfigurations within the DH group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the GAM requires the application of 'absorption accounting'. Absorption accounting requires that entities account for their transactions in the period in which they took place. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Income, and is disclosed separately from operating costs.
For functions that have been transferred to the Trust from another body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition.

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 body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. Any net loss / gain corresponding to the net assets/ liabilities transferred is recognised within expenses or income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

Note 1.25 Early adoption of standards, amendments and interpretations

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

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

IFRS 16 Leases

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

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

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

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

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

Estimated impact on 1 April 2022 statement of financial position	**£000**
Additional right of use assets recognised for existing operating leases	9,769
Changes to other statement of financial position line items (excluding reserves)	(9,769)
Estimated impact on net assets on 1 April 2022	**-**

Estimated impact on net assets in 2022/23	**£000**
Additional depreciation on right of use assets	(1,309)
Additional finance costs on lease liabilities	(91)
Lease rentals no longer charged to operating expenditure	1,378
Estimated impact on surplus/deficit in 2022/23	**(22)**
Estimated increase in capital additions in 2022/23	**-**

Note 2 Operating Segments

The Trust operates in one segment, which is the provision of healthcare.

The Trust subsidiary TGH operates a pharmacy service for the Trust and Leicester Hospitals Charity raises and disburses funds for the benefit of the Trust. Neither subsidiary is material to the operations of the Trust.

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 1.2

Note 3.1 Income from patient care activities (by nature)	**2021/22**	**2020/21**
	£000	**£000**
Block contract / system envelope income	1,059,233	998,349
High cost drugs income from commissioners (excluding pass-through costs)	72,558	12,685
Other NHS clinical income	-	26,726
Private patient income	3,281	2,011
Additional pension contribution central funding*	29,893	28,460
Other clinical income	1,590	1,140
Total income from activities	**1,166,555**	**1,069,371**

*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)

	2021/22	**2020/21**
Income from patient care activities received from:	**£000**	**£000**
NHS England	395,912	380,632
Clinical commissioning groups	765,772	685,583
Other NHS providers	-	5
Non-NHS: private patients	2,740	1,641
Non-NHS: overseas patients (chargeable to patient)	541	370
Injury cost recovery scheme	1,365	992
Non NHS: other	225	148
Total income from activities	**1,166,555**	**1,069,371**
Of which:		
Related to continuing operations	1,166,555	1,069,371

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2021/22	**2020/21**
	£000	**£000**
Income recognised this year	541	370
Cash payments received in-year	-	160
Amounts added to provision for impairment of receivables	-	225
Amounts written off in-year	-	-

Note 4 Other operating income (Group)

	2021/22			2020/21
	Contract income	Non-contract income	Total	Total
	£000	£000	£000	£000
Research and development	37,504	-	**37,504**	**36,121**
Education and training	47,452	-	**47,452**	**45,703**
Non-patient care services to other bodies	6,885		**6,885**	**5,880**
Reimbursement and top up funding	13,786		**13,786**	**62,326**
Income in respect of employee benefits accounted on a gross basis	8,299		**8,299**	**3,770**
Receipt of capital grants and donations		504	**504**	**5,041**
Charitable and other contributions to expenditure		3,552	**3,552**	**19,065**
Support from the Department of Health and Social Care for mergers		-	**-**	**-**
Rental revenue from finance leases		-	**-**	**-**
Rental revenue from operating leases		459	**459**	**453**
Amortisation of PFI deferred income / credits		-	**-**	**-**
Charitable fund incoming resources		3,233	**3,233**	**4,233**
Other income	31,914	-	**31,914**	**29,550**
Total other operating income	**145,840**	**7,748**	**153,588**	**212,142**
Of which:				
Related to continuing operations			153,588	212,142

Note 5.0 Additional information on contract revenue (IFRS 15) recognised in the period (Group & Trust)

No revenue was recognised in the reporting period that was included in within contract liabilities at the previous period end (2020/21 - £Nil).

Note 5.1 Transaction price allocated to remaining performance obligations

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.2 Income generation activities (Group & Trust)

The Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care. The following provides details of income generation activities whose full cost exceeded £1m or was otherwise material.

	2021/22	2020/21
	£000s	£000s
Income - car parking	1,598	386
Income - catering	1,888	987
Income - accommodation	838	799

Note 6.0 Operating expenses (Group)

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,529	664
Purchase of healthcare from non-NHS and non-DHSC bodies	10,889	7,438
Staff and executive directors costs	777,540	745,235
Remuneration of non-executive directors	221	136
Supplies and services - clinical (excluding drugs costs)	142,808	128,314
Supplies and services - general	14,172	13,288
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	127,949	124,239
Inventories written down	26	740
Consultancy costs	3,297	2,798
Establishment	7,783	5,271
Premises	52,572	48,019
Transport (including patient travel)	6,356	5,599
Depreciation on property, plant and equipment	36,243	34,235
Amortisation on intangible assets	3,256	2,795
Net impairments	(3,042)	(80)
Movement in credit loss allowance: contract receivables / contract assets	(252)	(99)
Increase/(decrease) in other provisions	(8,598)	3,260
Change in provisions discount rate(s)	70	98
Fees payable to the external auditor		
audit services- statutory audit*	929	1,138
Internal audit costs	257	240
Clinical negligence	38,204	34,744
Legal fees	489	979
Insurance	807	72
Research and development	38,680	35,254
Education and training	3,315	2,137
Rentals under operating leases	3,131	998
Car parking and security	3,586	2,262
Hospitality	-	2
Losses, ex gratia & special payments	43	37
Other NHS charitable fund resources expended	1,825	1,768
Other**	15,486	10,410
Total	**1,279,571**	**1,211,991**
Of which:		
Related to continuing operations	1,279,571	1,211,991

* Fee for 2021/22 audit	380
Additional fee for 2020/21 audit	549

** Other costs are items which cannot be classified under any other suitable heading. The most significant item is international recruitment costs of £2.1m.

Note 6.1 Other auditor remuneration (Group)

Other auditor remuneration paid to the external auditor:

No remuneration was paid to the external auditor for non-audit services (2020/21 - £Nil).

6.2 Limitation on auditor's liability (Group)

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

Note 7 Impairment of assets (Group)

	2021/22	2020/21
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(3,042)	(80)
Total net impairments charged to operating surplus / deficit	**(3,042)**	**(80)**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**(3,042)**	**(80)**

Note 8 Employee benefits (Group)

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	615,554	587,173
Social security costs	61,998	57,612
Apprenticeship levy	2,992	3,045
Pension cost - employer contributions to NHS pension scheme	68,776	64,999
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	29,893	28,460
Temporary staff (including agency)	20,698	21,821
Total gross staff costs	**799,911**	**763,110**
Of which		
Costs capitalised as part of assets	5,915	2,221

Note 8.1 Retirements due to ill-health (Group)

During 2021/22 there were 5 early retirements from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £302k (£108k in 2020/21).

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

Note 9 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

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

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

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

Note 10 Operating leases (Group)

Note 10.1 University Hospitals of Leicester NHS Trust as a lessor

This note discloses income generated in operating lease agreements where University Hospitals of Leicester NHS Trust is the lessor.

	2021/22	2020/21
	£000	£000
Operating lease revenue		
Minimum lease receipts	459	453
Total	**459**	**453**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	463	378
- later than one year and not later than five years;	2,251	1,702
Total	**2,714**	**2,080**

Note 10.2 University Hospitals of Leicester NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where University Hospitals of Leicester NHS Trust is the lessee.

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	3,131	998
Total	**3,131**	**998**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	549	633
- later than one year and not later than five years;	632	861
- later than five years.	568	616
Total	**1,749**	**2,110**
Future minimum sublease payments to be received	-	-

Note 11 Finance income (Group)

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

	2021/22	2020/21
	£000	£000
Interest on bank accounts	59	-
NHS charitable fund investment income	121	108
Total finance income	**180**	**108**

Note 12 Finance expenditure (Group)

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

	2021/22	2020/21
	£000	£000
Interest expense:		
Finance leases	1,178	1,271
Interest on late payment of commercial debt	90	147
Total interest expense	**1,268**	**1,418**
Unwinding of discount on provisions	(135)	(17)
Other finance costs	-	119
Total finance costs	**1,133**	**1,520**

Note 12.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2021/22	2020/21
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	89	147
Amounts included within interest payable arising from claims made under this legislation	90	147

Note 13 Other gains / (losses) (Group)

	2021/22	2020/21
	£000	£000
Gains on disposal of assets	450	-
Losses on disposal of assets	(129)	(23)
Total gains / (losses) on disposal of assets	**321**	**(23)**
Total other gains / (losses)	**321**	**(23)**

Note 14 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 for the period was £23.4 million (2020/21 £57.3 million). The Trust's total comprehensive income for the period was £35.7 million (2020/21 £60.6 million).

Note 15 Intangible assets - 2021/22

Group and Trust	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**26,508**	**26,508**
Additions	7,460	**7,460**
Reclassifications	2,656	**2,656**
Valuation / gross cost at 31 March 2022	**36,624**	**36,624**
Amortisation at 1 April 2021 - brought forward	**17,246**	**17,246**
Provided during the year	3,256	**3,256**
Amortisation at 31 March 2022	**20,502**	**20,502**
Net book value at 31 March 2022	**16,122**	**16,122**
Net book value at 1 April 2021	**9,262**	**9,262**

Note 15.1 Intangible assets - 2020/21

Group	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**26,619**	**26,619**
Additions	83	**83**
Disposals / derecognition	(194)	**(194)**
Valuation / gross cost at 31 March 2021	**26,508**	**26,508**
Amortisation at 1 April 2020 - brought forward	**14,645**	**14,645**
Provided during the year	2,795	**2,795**
Disposals / derecognition	(194)	**(194)**
Amortisation at 31 March 2021	**17,246**	**17,246**
Net book value at 31 March 2021	**9,262**	**9,262**
Net book value at 1 April 2020	**11,974**	**11,974**

Note 16 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**49,967**	**432,152**	**5,199**	**46,291**	**159,792**	**330**	**45,725**	**2,630**	**742,086**
Additions	6,447	10,416	205	35,828	9,324	-	5,597	-	**67,817**
Impairments	-	(13,279)	(2)	-	-	-	-	-	**(13,281)**
Reversals of impairments	1,590	5,933	-	-	-	-	-	-	**7,523**
Revaluations	2,124	967	153	-	-	-	-	-	**3,244**
Reclassifications	-	31,282	-	(42,207)	3,983	8	4,215	63	**(2,656)**
Disposals / derecognition	-	-	-	-	(2,475)	-	-	-	**(2,475)**
Valuation/gross cost at 31 March 2022	**60,128**	**467,471**	**5,555**	**39,912**	**170,624**	**338**	**55,537**	**2,693**	**802,258**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**564**	**-**	**-**	**104,981**	**149**	**23,276**	**2,016**	**130,986**
Provided during the year	-	17,460	306	-	10,835	28	7,493	121	**36,243**
Impairments	-	(8,796)	(4)	-	-	-	-	-	**(8,800)**
Revaluations	-	(8,579)	(302)	-	-	-	-	-	**(8,881)**
Disposals / derecognition	-	-	-	-	(2,346)	-	-	-	**(2,346)**
Accumulated depreciation at 31 March 2022	**-**	**649**	**-**	**-**	**113,470**	**177**	**30,769**	**2,137**	**147,202**
Net book value at 31 March 2022	**60,128**	**466,822**	**5,555**	**39,912**	**57,154**	**161**	**24,768**	**556**	**655,056**
Net book value at 1 April 2021	**49,967**	**431,588**	**5,199**	**46,291**	**54,811**	**181**	**22,449**	**614**	**611,100**

Note 16.1 Property, plant and equipment - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**51,766**	**429,707**	**10,740**	**12,999**	**143,128**	**311**	**43,022**	**2,630**	**694,303**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	6,802	21	45,432	17,548	19	2,640	-	**72,462**
Impairments	-	(4,547)	-	-	-	-	-	-	**(4,547)**
Reversals of impairments	910	659	1	-	-	-	-	-	**1,570**
Revaluations	2,320	(12,475)	(188)	-	-	-	-	-	**(10,343)**
Reclassifications	-	12,006	-	(12,140)	-	-	134	-	**-**
Transfers to / from assets held for sale	(5,029)	-	(5,375)	-	-	-	-	-	**(10,404)**
Disposals / derecognition	-	-	-	-	(884)	-	(71)	-	**(955)**
Valuation/gross cost at 31 March 2021	**49,967**	**432,152**	**5,199**	**46,291**	**159,792**	**330**	**45,725**	**2,630**	**742,086**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**-**	**-**	**-**	**95,073**	**127**	**16,674**	**1,894**	**113,768**
Provided during the year	-	16,043	608	-	10,767	22	6,673	122	**34,235**
Impairments	-	(2,663)	-	-	-	-	-	-	**(2,663)**
Reversals of impairments	-	(394)	-	-	-	-	-	-	**(394)**
Revaluations	-	(12,422)	(304)	-	-	-	-	-	**(12,726)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	(304)	-	-	-	-	-	**(304)**
Disposals / derecognition	-	-	-	-	(859)	-	(71)	-	**(930)**
Accumulated depreciation at 31 March 2021	**-**	**564**	**-**	**-**	**104,981**	**149**	**23,276**	**2,016**	**130,986**
Net book value at 31 March 2021	**49,967**	**431,588**	**5,199**	**46,291**	**54,811**	**181**	**22,449**	**614**	**611,100**
Net book value at 1 April 2020	**51,766**	**429,707**	**10,740**	**12,999**	**48,055**	**184**	**26,348**	**736**	**580,535**

With the execption of equipment valued at £14k held by TGH, the value of property, plant and equipment held by the Trust matches that of the Group.

Note 16.2 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	60,128	450,376	5,555	39,556	30,669	141	23,378	469	**610,272**
Finance leased	-	2,961	-	-	19,954	-	1,281	-	**24,196**
Owned - donated/granted	-	13,485	-	356	6,531	20	109	87	**20,588**
NBV total at 31 March 2022	**60,128**	**466,822**	**5,555**	**39,912**	**57,154**	**161**	**24,768**	**556**	**655,056**
	-	-	-	-	-	-	-	-	

Note 16.3 Property, plant and equipment financing - 2020/21

Group	Land	ıg dwellings	Dwellings	er construction	ıt & machinery	ort equipment	on technology	ıre & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	49,967	418,433	5,199	42,655	31,270	158	16,284	527	**564,493**
Finance leased	-	3,070	-	-	16,935	-	6,110	-	**26,115**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - donated/granted	-	10,085	-	3,636	6,606	23	55	87	**20,492**
NBV total at 31 March 2021	**49,967**	**431,588**	**5,199**	**46,291**	**54,811**	**181**	**22,449**	**614**	**611,100**

Note 17 Donations of property, plant and equipment

	Group and Trust	
	2021/22	2020/21
	£000	£000
Assets received from DHSC relating to Covid treatment	162	4,286
Assets donated by the Trust's charitable fund	559	4,919
Other	1,849	755
	2,570	**9,960**

Note 18 Other investments / financial assets (non-current)

	Group	
	2021/22	2020/21
	£000	£000
Carrying value at 1 April - brought forward	**5,185**	**4,324**
Acquisitions in year	655	326
Movement in fair value through OCI	196	880
Disposals	(674)	(345)
Carrying value at 31 March	**5,362**	**5,185**

The above represents assets held by the Charity

	Trust	
	2021/22	2020/21
	£000	£000
Carrying value at of investments		
Investment in subsidiary	4,000	4,000
Carrying value at 31 March	**4,000**	**4,000**

Note 19 Analysis of charitable fund reserves

The funds of the Leicester Hospitals Charity have been consolidated within these accounts

	31 March 2022 £000	31 March 2021 £000
Unrestricted funds:		
Unrestricted income funds	5,984	5,585
Restricted funds:		
Other restricted income funds	1,707	2,463
	7,691	**8,048**

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 20 Inventories

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Drugs	6,541	5,740	4,945	4,531
Consumables	14,300	14,927	14,300	14,927
Energy	285	170	285	170
Total inventories	**21,126**	**20,837**	**19,530**	**19,628**

Note 21 Receivables

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Contract receivables	23,194	18,678	23,188	18,646
Allowance for impaired contract receivables / assets	(2,617)	(2,733)	(2,617)	(2,733)
Prepayments	7,552	5,111	7,545	5,095
PDC dividend receivable	559	458	559	458
VAT receivable	3,098	1,800	2,024	1,284
Other receivables	1,717	428	1,797	1,625
NHS charitable funds receivables	111	183	-	-
Total current receivables	**33,614**	**23,925**	**32,496**	**24,375**
Non-current				
Contract receivables	2,208	2,558	2,208	2,533
Allowance for other impaired receivables	(508)	(644)	(508)	(537)
Other receivables	1,745	2,814	1,745	2,396
Total non-current receivables	**3,445**	**4,728**	**3,445**	**4,392**
Of which receivable from NHS and DHSC group bodies:				
Current	13,449	9,015		
Non-current	1,745	2,814		

Note 21.1 Allowances for credit losses - 2021/22

	Group and Trust	
	Contract receivables and contract assets	All other receivables
	£000	£000
Allowances as at 1 Apr 2021 - brought forward	**3,377**	**-**
Changes in existing allowances	(252)	-
Allowances as at 31 Mar 2022	**3,125**	**-**

Note 21.2 Allowances for credit losses - 2020/21

	Group and Trust	
	Contract receivables and contract assets	All other receivables
	£000	£000
Allowances as at 1 Apr 2020 - brought forward	**3,887**	**-**
New allowances arising	401	-
Reversals of allowances	(500)	-
Utilisation of allowances (write offs)	(411)	-
Allowances as at 31 Mar 2021	**3,377**	**-**

Note 22 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**10,100**	**-**	**10,100**	
Assets classified as available for sale in the year	-	10,100		10,100
Assets sold in year	(10,100)	-	(10,100)	
NBV of non-current assets for sale and assets in disposal groups at 31 March	**-**	**10,100**	**-**	**10,100**

Note 23 Cash and cash equivalents movements

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

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
At 1 April	**106,423**	**33,191**	**99,809**	**26,529**
Net change in year	5,994	73,232	8,633	73,280
At 31 March	**112,417**	**106,423**	**108,442**	**99,809**
Broken down into:				
Cash at commercial banks and in hand	2,497	4,271	289	46
Cash with the Government Banking Service	109,920	102,152	108,153	99,763
Total cash and cash equivalents as in SoFP	**112,417**	**106,423**	**108,442**	**99,809**
Bank overdrafts (GBS and commercial banks)	-	(12,167)	-	(12,167)
Total cash and cash equivalents as in SoCF	**112,417**	**94,256**	**108,442**	**87,642**

Note 24 Trade and other payables

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Trade payables	57,637	6,154	59,280	4,991
Capital payables	8,803	6,976	8,803	6,976
Accruals	50,900	72,912	49,418	74,300
Social security costs	9,117	8,025	9,100	8,017
Other taxes payable	7,744	6,893	7,728	6,884
Other payables	11,084	23,078	10,975	22,913
NHS charitable funds: trade and other payables	63	349	-	-
Total current trade and other payables	**145,348**	**124,387**	**145,304**	**124,081**
Of which payables from NHS and DHSC group bodies:				
Current	5,816	24,771	5,816	24,771

Note 24.1 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£000	Number	£000	Number
- to buy out the liability for early retirements over 5 years	302		108	
- number of cases involved		5		3

Note 25 Other liabilities

	Group and Trust	
	31 March 2022	31 March 2021
	£000	£000
Current		
Deferred income: contract liabilities	3,799	2,177
Total other current liabilities	**3,799**	**2,177**

Note 26 Borrowings

	Group and Trust	
	31 March 2022	31 March 2021
	£000	£000
Current		
Bank overdrafts	-	12,167
Obligations under finance leases	7,658	7,089
Total current borrowings	**7,658**	**19,256**
Non-current		
Obligations under finance leases	12,586	12,073
Total non-current borrowings	**12,586**	**12,073**

Note 27 Finance leases - Group and Trust

The Trust has three finance lease arrangements - for Managed Equipment Services, IM&T equipment and renal dialysis equipment.

Managed Equipment Service (MES) finance lease

The Trust is the lessee in relation to a managed equipment service as defined by IAS 17 Leases. The Trust leases major items of equipment used to treat patients.
Commencement date: 2007/08
End date: 2025/2026

IM&T "eQuip" programme

The Trust is the lessee for this IM&T programme as defined by IAS 17 Leases. The lease relates to the replacement of outdated IT equipment and the provision of new IT equipment for staff.
Commencement date: 2018/19
End date: 2024/25

Renal Dialysis equipment leases

The Trust is the lessee in respect of renal dialysis equipment and premises at six locations.

Commencement dates: 2015/16 to 2019/20
End Dates: 2022/23 to 2044/45

Note 27 Finance leases - Group and Trust (con't)

Payment for the fair value of the services received

The annual unitary payment is applied to meet the annual finance cost and to repay the lease liabilities over the contract term.

Interest costs charged to revenue

An annual finance cost is calculated by applying the implicit interest rate in the leases to the opening lease liabilities for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

Property plant and equipment assets recognised on

The finance lease assets are recognised as property, plant and equipment. The asset values, life and depreciation for the scheme are provided to the Trust by the Lessors.

Depreciation on the property, plant and equipment is charged to revenue.

Liability

Lease liabilities are recognised at the same time as the assets are recognised. The liabilities are measured initially at the same amount as the fair value of the assets and are subsequently measured as finance lease liabilities in accordance with IAS 17 Leases.

Asset replacement

Any assets, or asset components provided by the lessor during the contract are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the lessor and are measured initially at their fair value.

Assets contributed by the Trust to the operator for

Assets contributed for use in the scheme are recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Note 28 University Hospitals of Leicester NHS Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	Group and Trust	
	31 March 2022	**31 March 2021**
	£000	**£000**
Gross lease liabilities	**22,884**	**21,747**
of which liabilities are due:		
- not later than one year;	7,849	7,296
- later than one year and not later than five years;	11,280	9,480
- later than five years.	3,755	4,971
Finance charges allocated to future periods	(2,640)	(2,585)
Net lease liabilities	**20,244**	**19,162**
of which payable:		
- not later than one year;	7,658	7,089
- later than one year and not later than five years;	9,863	8,375
- later than five years.	2,723	3,698
	20,244	**19,162**

Note 29 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Clinician tax reimbursement	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**2,227**	**1,110**	**2,898**	**16,074**	**22,309**
Change in the discount rate	34	36	-		**70**
Arising during the year	284	184	-	3,863	**4,331**
Utilised during the year	(215)	(75)	-	-	**(290)**
Reversed unused	(29)	-	(1,121)	(12,080)	**(13,230)**
Unwinding of discount	(124)	(11)	-	-	**(135)**
At 31 March 2022	**2,177**	**1,244**	**1,777**	**7,857**	**13,055**
Expected timing of cash flows:					
- not later than one year;	218	46	32	7,857	**8,153**
- later than one year and not later than five years;	894	251	86		**1,231**
- later than five years.	1,065	947	1,659		**3,671**
Total	**2,177**	**1,244**	**1,777**	**7,857**	**13,055**

Other provisions includes the following significant item:

VAT provision on disputed supply

Subsequent to the year end an agreement was reached with HMRC on VAT recovery against certain types of supply. The Trust has reflected the writeback of £6.4m, in the 2021/22 accounts, of provisions previously made against this case. A further £8m of income in this respect will be recognised in 2022/23.

Note 29.1 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: early departure costs	Clinician tax reimbursement	Other Provisions	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**2,227**	**1,110**	**2,898**	**16,039**	**22,274**
Change in the discount rate	34	36			**70**
Arising during the year	284	184		3,861	**4,329**
Utilised during the year	(215)	(75)			**(290)**
Reversed unused	(29)		(1,121)	(12,080)	**(13,230)**
Unwinding of discount	(124)	(11)			**(135)**
At 31 March 2022	**2,177**	**1,244**	**1,777**	**7,820**	**13,018**
Expected timing of cash flows:					
- not later than one year;	218	46	32	7,820	**8,116**
- later than one year and not later than five years;	894	251	86		**1,231**
- later than five years.	1,065	947	1,659		**3,671**
Total	**2,177**	**1,244**	**1,777**	**7,820**	**13,018**

Note 30 Clinical negligence liabilities

At 31 March 2022, £302,778k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of University Hospitals of Leicester NHS Trust (31 March 2021: £318,629k).

Note 31 Contingent assets and liabilities

	Group	
	31 March 2022	31 March 2021
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	130	159
Gross value of contingent liabilities	**130**	**159**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**130**	**159**
Net value of contingent assets	**-**	**-**

Note 32 Contractual capital commitments

	Group	
	31 March 2022	31 March 2021
	£000	£000
Property, plant and equipment	24,543	12,996
Total	**24,543**	**12,996**

Note 33 Other financial commitments

The Group and Trust has no other financial commitments.

Note 34 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	22,388	-	**22,388**
Other investments / financial assets	-	-	**-**
Cash and cash equivalents	109,960	-	**109,960**
Consolidated NHS Charitable fund financial assets	7,819	-	**7,819**
Total at 31 March 2022	**140,167**	**-**	**140,167**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	21,130	-	**21,130**
Other investments / financial assets	-	-	**-**
Cash and cash equivalents	102,199	-	**102,199**
Consolidated NHS Charitable fund financial assets	4,407	5,185	**9,592**
Total at 31 March 2021	**127,736**	**5,185**	**132,921**

Note 34.1 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	22,250		**22,250**
Other investments / financial assets	4,000		**4,000**
Cash and cash equivalents	108,442		**108,442**
Total at 31 March 2022	**134,692**	**-**	**134,692**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	22,293		**22,293**
Other investments / financial assets	4,000		**4,000**
Cash and cash equivalents	99,809		**99,809**
Total at 31 March 2021	**126,102**	**-**	**126,102**

Note 34.2 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	20,244	**20,244**
Trade and other payables excluding non financial liabilities	124,353	**124,353**
Total at 31 March 2022	**144,597**	**144,597**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	19,162	**19,162**
Other borrowings	12,167	**12,167**
Trade and other payables excluding non financial liabilities	90,146	**90,146**
Consolidated NHS charitable fund financial liabilities	349	**349**
Total at 31 March 2021	**121,824**	**121,824**

Note 34.3 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	20,244	**20,244**
Trade and other payables excluding non financial liabilities	124,308	**124,308**
Total at 31 March 2022	**144,552**	**144,552**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	19,162	**19,162**
Other borrowings	12,167	**12,167**
Trade and other payables excluding non financial liabilities	90,372	**90,372**
Total at 31 March 2021	**121,701**	**121,701**

Note 34.5 Maturity of financial liabilities

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

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
In one year or less	132,202	109,958	132,157	109,835
In more than one year but not more than five years	11,280	9,480	11,280	9,480
In more than five years	3,755	4,971	3,755	4,971
Total	**147,237**	**124,409**	**147,192**	**124,286**

Note 35 Losses and special payments

	2021/22		2020/21	
Group and trust	**Total number of cases Number**	**Total value of cases £000**	**Total number of cases Number**	**Total value of cases £000**
Losses				
Bad debts and claims abandoned	190	117	144	32
Total losses	**190**	**117**	**144**	**32**
Special payments				
Ex-gratia payments	86	2,836	89	124
Total special payments	**86**	**2,836**	**89**	**124**
Total losses and special payments	**276**	**2,952**	**233**	**156**
Compensation payments received		-		-

Of the above value for 2021/22, £2,701k relates to nationally agreed and centrally funded payments in respect of retrospective changes to the calculation of pay for annual leave.

Note 36 Related parties

During the year none of the Department of Health and Social Care Ministers, Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the **University Hospitals of Leicester NHS Trust**. The Leicester Hospitals Charity is a related party of all members of the Trust Board, as the Trust Board is the Charity's corporate trustee.

MATERIAL DEPARTMENT OF HEALTH AND SOCIAL CARE ENTITIES

The Department of Health and Social Care (DHSC) is regarded as a related party. During the year the **University Hospitals of Leicester NHS Trus**t has had a significant number of material transactions with the DHSC and with other entities for which the DHSC is regarded as the parent Department. These entities are listed below:

NHS Leicester City CCG
NHS West Leicestershire CCG
NHS East Leicestershire and Rutland CCG
Nottingham University Hospitals NHS Trust
Leicestershire Partnership NHS Trust
North West Anglia NHS Foundation Trust
University Hospitals of Derby and Burton NHS Foundation Trust
NHS England - Central Midlands Local Office
NHS England - East Midlands Specialised Commissioning Hub
Health Education England
NHS Pension Scheme
NHS Resolution
University of Leicester

In addition, the Trust has had a number of material transactions with other government departments and other

HM Revenue and Customs - VAT
HM Revenue and Customs - Other Taxes and Duties
Leicester City Council

Note 37 Better Payment Practice code

	2021/22 Number	2021/22 £000	2020/21 Number	2020/21 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	166,903	866,582	169,638	716,378
Total non-NHS trade invoices paid within target	155,844	817,954	155,205	669,029
Percentage of non-NHS trade invoices paid within target	93.4%	94.4%	91.5%	93.4%
NHS Payables				
Total NHS trade invoices paid in the year	3,989	128,116	4,605	120,683
Total NHS trade invoices paid within target	3,131	115,181	2,827	100,253
Percentage of NHS trade invoices paid within target	78.5%	89.9%	61.4%	83.1%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 38 External financing

The trust is given an external financing limit against which it is permitted to underspend

	2021/22 £000	2020/21 £000
Cash flow financing	(9,645)	(59,198)
External financing requirement	**(9,645)**	**(59,198)**
External financing limit (EFL)	(9,645)	61,736
Under / (over) spend against EFL	**-**	**120,934**

Note 39 Capital Resource Limit

	2021/22 £000	2020/21 £000
Gross capital expenditure	75,277	72,545
Less: Disposals	(10,229)	(25)
Less: Donated and granted capital additions	(2,570)	(9,960)
Charge against Capital Resource Limit	**62,478**	**62,560**
Capital Resource Limit	64,858	67,277
Under / (over) spend against CRL	**2,380**	**4,717**

Note 40 Breakeven duty rolling assessment

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		51	1,013	88	91	(39,655)	(40,648)
Breakeven duty cumulative position	3,910	3,961	4,974	5,062	5,153	(34,502)	(75,150)
Operating income		697,692	696,257	719,154	758,665	770,393	834,376
Cumulative breakeven position as a percentage of operating income		0.6%	0.7%	0.7%	0.7%	-4.5%	-9.0%

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	(34,051)	(27,152)	(34,455)	(44,879)	(154,380)	46,161	20,624
Breakeven duty cumulative position	(109,201)	(136,353)	(170,808)	(215,687)	(370,067)	(323,906)	(303,282)
Operating income	866,036	924,269	960,790	992,246	1,086,035	1,282,199	1,318,976
Cumulative breakeven position as a percentage of operating income	-12.6%	-14.8%	-17.8%	-21.7%	-34.1%	-25.3%	-23.0%

Glossary of terms

Acute Care is specific care for diseases or illnesses that progress quickly, feature severe symptoms and have a brief duration.

Acuity The measurement of the intensity of care required for a patient delivered by a registered nurse. There are six categories ranging from minimal care to intensive care.

Admission the point at which a person begins an episode of care, e.g. arriving at an inpatient ward.

Ambulatory care is medical care provided on an outpatient basis, including diagnosis, observation, consultation, treatment, intervention, and rehabilitation services. This care can include advanced medical technology and procedures even when provided outside of hospitals.

A&E (Accident & Emergency) see Emergency Department.

Board Assurance Framework (BAF) is a key mechanism which Trust Boards should be using to reinforce strategic focus and better management of risk.

Cannulation intravenous cannulation involves putting a "tube" into a patient's vein so that infusions can be inserted directly into the patient's bloodstream.

Care Plan a plan is a written plan that describes the care and support staff will give a service user. Service users should be fully involved in developing and agreeing the care plan, sign it and keep a copy.

Care Quality Commission the organisation that make sure hospitals, care homes, dental and GP surgeries, and all other care services in England provide people with safe, effective, compassionate and high-quality care, and we encourage them to make improvements.

Carbapenem resistant organisms are a group of germs which can live harmlessly inside the bowel and, except for their resistance to antibiotics, are identical to our normal gut bacteria. Carrying them in the bowel is not a direct risk to patients. They are only a danger if they cause infections.

CCG (Clinical Commissioning Group) are NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England.

CIP (Cost Improvement Programme) a Cost Improvement Programme (CIP) is the identification of schemes to increase efficiency/ or reduce expenditure. CIPs can include both recurrent (year on year) and non- recurrent (one-off) savings. A CIP is not simply a scheme that saves money. The most successful CIPs are often those based on long-term plans to transform clinical and non-clinical services that not only result in a permanent cost savings, but also improve patient care, satisfaction and safety.

Clinical Governance is a framework that ensures that NHS organisations monitor and improve the quality of services provided and that they are accountable for the care they provide.

Clinical Management Groups (CMG) we have seven Clinical Management Groups: CHUGGS (Cancer, Haematology, Urology, Gastroenterology and General Surgery); CSI (Clinical Support and Imaging); ESM (Emergency and Specialist Medicine); ITAPS (Critical Care, Theatres, Anaesthesia, Pain and Sleep); MSS (Musculoskeletal and Specialist Surgery); RRCV (Renal, Respiratory and Cardiovascular); W&C (Women's and Children's).

Clinical Negligence Scheme for Trust (CNST) is a scheme for assessing a Trust's arrangements to minimise clinical risk for service users and staff. Trusts need to pay 'insurance' which can offset the costs of legal claims against the Trust. Achieving CNST Levels (1, 2 or 3) shows the Trust's success in minimising clinical risk and reduces the premium that the Trust must pay.

Clinician is a person who provides direct care to a patient such as a doctor, nurse, therapist, pharmacist, psychologist etc.)

Commissioner is responsible for getting the best possible health outcomes for the local population. This involves assessing local needs, deciding priorities and strategies, and then buying services on behalf of the population from providers such as hospitals, clinics, community health bodies, etc.

Commissioning is the process of identifying a community's social and/or health care needs and finding services to meet them.

Community Care aims to provide health and social care services in the community to enable people live as independently as possible in their own homes or in other accommodation in the community.

Co-morbidity is the presence of two or more disorders at the same time. For example, a person with depression may also have diabetes.

CQUIN stands for commissioning for quality and innovation. The system was introduced in 2009 to make a proportion of healthcare providers' income conditional on demonstrating improvements in quality and innovation in specified areas of patient care. This means that a proportion of our income depends on achieving quality improvement and innovation goals, agreed between the Trust and its commissioners. The key aim of the CQUIN framework is to secure improvements in the quality of services and better outcomes for patients, a principle fully supported at all levels of the hospital.

Diagnosis is identifying an illness or problem by its symptoms and signs.

Discharge is the point at which a person formally leaves services. On discharge from hospital the multidisciplinary team and the service user will develop a care plan (see Care plan).

Emergency Admission when a patient admitted to hospital at short notice because of clinical need or because alternative care is not available.

Emergency Department is a hospital department that assesses and treats people with serious and life- threatening injuries and those in need of emergency treatment. Also sometimes called A&E (Accident & Emergency).

Friends and Family Test (FFT) launched in April 2013, the FFT question asks people if they would recommend the services they have used and offers a range of responses. When combined with supplementary follow-up questions, the FFT provides a mechanism to highlight both good and poor patient experience.

General Medical Council: The General Medical Council (GMC) works to protect patient safety and support medical education and practice across the UK. They do this by working with doctors, employers, educators, patients and other key stakeholders in the UK's healthcare systems.

General Practitioner (GP) is a family doctor, usually patient's first point of contact with the health service.

GIRFT (Getting it Right First Time): Getting It Right First Time is a national programme designed to improve the quality of care within the NHS by reducing unwarranted variations. By tackling variations in the way services are delivered across the NHS, and by sharing best practice between trusts, GIRFT identifies changes that will help improve care and patient outcomes, as well as delivering efficiencies such as the reduction of unnecessary procedures and cost savings. Importantly, GIRFT is led by frontline clinicians who are expert in the areas they are reviewing.

Health Care Assistants (can also be referred to as Health Care Support Workers) are non-qualified nursing staff who carry out assigned tasks involving direct care in support of a registered/qualified nurse. There are two grades of Health Care Assistants, A and B grade. A grades would expect to be more closely supervised, while B grades may regularly work without supervision for all or most of their shift, or lead on A grade.

Human Resources is a department found in most organisations that works to recruit staff, assist in their development (e.g. providing training) and ensure that staff work in good conditions.

Information Management and Technology (IM&T) refers to the use of information held by the Trust, in particular computerised information and the department that manages those services.

Intermediate Care Services are services that promote independence, prevent hospital admission and/or enable early discharge. Intermediate care typically provides community-based alternatives to traditional hospital care.

Model Hospital: The Model Hospital is a free digital tool from NHS Improvement available to all NHS provider trusts. It supports the NHS to provide the best patient care in the most efficient way. It allows trusts to compare their productivity and identify opportunities to improve.

Mortality means death rate. In the NHS it is used when referring to the expected death rate for conditions or procedures.

Multidisciplinary denotes an approach to care that involves more than one discipline. Typically this will mean that doctors, nurses, psychologists and occupational therapists are involved.

NICE is the National Institute for Health and Clinical Excellence, an independent organisation responsible for providing national guidance on the promotion of good health and the prevention and treatment of ill health.

Non-Executive Director is a member of the Trust Board. They act a two way representative. They bring the experiences, views and wishes of the community and patients to the Trust Board. They also represent the interests of the NHS organisation to the Community.

NHS England leads the NHS in England. They set the priorities and direction of the NHS and encourage and inform the national debate to improve health and care.

NHS Improvement is responsible for overseeing foundation trusts and NHS provider trusts, as well as independent providers that provide NHS-funded care. They offer the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, they help the NHS to meet its short-term challenges and secure its future.

Nursing and Midwifery Council: The Nursing and Midwifery Council, NMC, make sure nurses, midwives and nursing associate have the skills they need to care for people safely, with integrity, expertise, respect and compassion, from the moment they step into their first job.

Out of Hours (OOH) is the provision of GP services when your local surgery is closed, usually during the night, at weekends and Bank Holidays.

Palliative care is an area of healthcare that focuses on relieving and preventing the suffering of patients.

Peri-natal mortality is the number of stillbirths and deaths in the first week of life per 1,000 live births, after 24 weeks gestation.

Primary Care is the care will receive when you first come into contact with health services about a problem. These include family health services provided by GPs, dentists,

pharmacists, opticians, and others such as community nurses, physiotherapists and some social workers.

QIPP (Quality Innovation Productivity and Prevention) In July 2010, the White Paper 'Equity and excellence: Liberating the NHS' set out the government's vision for the future of the NHS. The White Paper outlined the government's commitment to ensuring that QIPP supports the NHS to make efficiency savings, which can be reinvested back into the service to continually improve quality of care.

Risk assessment identifies aspects of a service which could lead to injury to a patient or staff member and/or to financial loss for an individual or Trust.

Royal College of Nursing: The Royal College of Nursing is the world's largest nursing union and professional body.

Secondary care is specialist care, usually provided in hospital, after a referral from a GP or health professional. Mental Health Services are included in secondary care (see also tertiary care).

Serious Untoward Incidents (SUI) is to describe a serious incident or event which led, or may have led, to the harm of patients or staff. Members of staff who were not involved in the incident investigate these and the lessons learned from each incident are used to improve care in the future.

SHMI (Summary Hospital-level Mortality Indicator) The Summary Hospital-level Mortality Indicator (SHMI) is an indicator which reports on mortality at trust level across the NHS in England using a standard and transparent methodology. It is produced and published quarterly as an official statistic by the Health and Social Care Information Centre (HSCIC) with the first publication in October 2011. The SHMI is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

Stakeholders are a range of people and organisations that are affected by or have an interest in, the services offered by an organisation.

Tertiary Care is when a hospital consultant decides that more specialist care is needed. Mental Health Services are included in this (see also Secondary care).

TTO (To-take-out) are medicines supplied by the hospital pharmacy for patients to take with them when they are discharged (see discharge) from hospital.

Triage a system which sorts medical cases in order of urgency to determine how quickly patients receive treatment.

Urgent Care Centre is a category of walk-in clinic focused on the delivery of ambulatory care in a dedicated medical facility outside of a traditional emergency department. Urgent care

centres primarily treat injuries or illnesses requiring immediate care, but not serious enough to require an emergency department visit.

Urgent care centres are distinguished from similar ambulatory healthcare centres such as emergency departments and walk in centres by their scope of conditions treated and available facilities on-site.

Walk-in-Centre (WiC) is a medical centre offering free and fast access to health-care advice and treatment. Centres provide advice and treatment for minor injuries and illnesses and guidance on how to use NHS services.

Whistle-blowing is the act of informing a relevant person in an organisation of instances or services in which patients are at risk.

Feedback

We would like your views on the presentation of our annual report and accounts. We would be very grateful if you could answer the questions below and send your response to us**.**

The answers you give will help us to ensure we present, not only the annual report, but other information in a way people find useful.

1) The information we give:

a. Have we missed anything out? Please tell us any area you would like to see covered.

.....
.....
.....
.....

b. Is there any category you think we should leave out?

.....
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.....

2) Were there any areas of the annual report which you found most useful, please feel free to list and explain why.

.....
.....
.....
.....

3) What do you expect to achieve from reading this annual report? Please tick

- Gain a broad understanding of our organisation
- Gain a detailed understanding of our organisation

4) Do you have another comments or suggestions about our annual report

.....
.....
.....
.....

Completed questionnaires can be sent to: Communications Team, University Hospitals of Leicester NHS Trust, Medical Illustration, Level 2 Windsor Building, Leicester, LE1 5WW or: communications@uhl-tr.nhs.uk

If you would like this information in another language or format such as EasyRead or Braille, please telephone **0116 250 2959** or email **equality@uhl-tr.nhs.uk**

اگر آپ کو یہ معلومات کسی اور زبان میں درکار ہیں، تو براہِ کرم مندرجہ ذیل نمبر پر ٹیلی فون کریں۔

ਜੇ ਤੁਸੀਂ ਇਹ ਜਾਣਕਾਰੀ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਚਾਹੁੰਦੇ ਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਹੇਠਾਂ ਦਿੱਤੇ ਗਏ ਨੰਬਰ 'ਤੇ ਟੈਲੀਫ਼ੋਨ ਕਰੋ।

إذا كنت ترغب في الحصول على هذه المعلومات بلغةٍ أُخرى، الرجاء الاتصال على رقم الهاتف الذي يظهر في الأسفل

Aby uzyskać informacje w innym języku, proszę zadzwonić pod podany niżej numer telefonu

જો તમને અન્ય ભાષામાં આ માહિતી જોઈતી હોય, તો નીચે આપેલ નંબર પર કૃપા કરી ટેલિફોન કરો.