Berkshire Healthcare
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS

2023/24

Berkshire Healthcare NHS Foundation Trust Annual Report and Accounts 2023/24

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

Annual Report & Accounts 2023/24

CHAIR AND CHIEF EXECUTIVE'S REPORT 2023-24

The Trust continues to be a major player in both its Integrated Care Systems: Frimley Health and Care and Buckinghamshire, Oxfordshire and Berkshire West. Provider collaboration is embedded in how the Trust works with its partners, particularly with Frimley Health, Royal Berkshire Hospital and Oxford Health and the local authorities across Berkshire.

The Chief Executive has led a very valuable and successful piece of work across a wide area of the south of England to implement a process for managing the cost of agency staff. Whilst progress in system working is moving forward, the time commitment of our senior executives in supporting two Integrated Care Systems is proving very burdensome and some way of mitigating this commitment will need to be found.

The Board is performing well, reflected in the excellent performance of the Trust, despite the significant challenges we face. The stability of the Board is an important factor in the maturity and effectiveness of its decisions.

Governors recognise this as a positive factor and have extended the term of office of our vice-chair, Mark Day for a further year, the chair of the audit committee, Rajiv Gatha for a second three-year term and Naomi Coxwell who chairs the Finance, Investment and Performance Committee for a further year.

The only change to the Board membership this year has been the retirement of one of our non-executive directors, Mehmuda Mian, whose contribution to the Board and the Trust has been exceptional, and we thank her for all she has done. I am delighted that the Governors appointed a talented young black lawyer, Rebecca Burford as a new non-executive director to fill the vacancy.

Following last year's very positive External Well-Led Board Review, we have considered the suggestions, all minor, and agreed that we needed to update our Board Assurance Framework to match the new strategy we agreed last year, which has been done.

Our public Board meetings remain online, and recordings are permanently available to the public on our website. We have decided to reduce by one the public Board meetings and increase the discursive Board meetings correspondingly as we feel the significant challenges of the NHS need more time for reflection and discussion.

Our Governors continue to provide constructive challenge and the lead governor, Brian Wilson, has been tireless in developing more effective ways of using the skills and experience of our Governors. We still have a need for more diversity in Governors, particularly from minority backgrounds of all types and from younger people.

Workforce remains a challenge. We have already implemented a significant Wellbeing

strategy which has been well received by staff. Our staff turnover rate has reduced this year. In the latest national NHS Staff Survey we have achieved exceptionally high positive scores in staff engagement, among the highest in the country, along with very positive views staff have about working at the Trust. The remaining challenge is to close the gap in experience between our minority ethnic staff and white staff.

This year, we launched are Anti-Racist Strategy which is taking an action-based approach and has been welcomed. Although it is in the early days of its implementation, the Staff Survey results show a small but positive improvement in the feeling of our minority staff. We are not complacent and will continue the programme with vigour.

The Trust has for some time been a leader in digital, which continues. Increasing use is being made of online therapies and support to patients. However, we have also been rolling out automated systems to take over the administrative tasks currently undertaken by clinicians. These are showing significant savings in unproductive time freeing up clinicians to deliver more patient facing care. We feel that the continued development of these and similar digital technologies will be essential to manage the challenges we face.

We have launched our Health Inequality strategy. We now have a very clear understanding of the data across Berkshire and can now understand better the unacceptable inequalities that remain to be addressed. We have always known we had variations in disadvantage across the county, but we now have a much more detailed understanding. Our early study concerns the differences in the application of mental health sectioning for black men across the differing local authority areas across Berkshire.

One area of particular challenge is in Children and Adolescent Mental Health service where the dramatic increase in patient demand is proving difficult to manage, something common across the NHS. The waiting times are unacceptably long, although we always prioritise the more seriously affected patients. We are taking a multi-factor approach to meeting this demand, including increased recruitment, engagement of independent sector support and increased support and guidance for those waiting for assessment. We have also launched a Neurodiversity strategy across the Trust to raise awareness of this increasingly important area.

Despite these challenges, the Trust's performance remains consistently at a very high level. We remain Care Quality Commission Outstanding, we have met our financial targets, our Staff Survey results are nationally high, and we are playing a full part in system working.

The challenges remain significant, but I remain confident that the Trust has the leadership and staff to meet these and deliver ever better care for the communities we serve.

Martin Earwicker	Julian Emms
Trust Chair	Chief Executive
19 June 2024	19 June 2024

PERFORMANCE REPORT

Overview

The purpose of this section is to provide an understanding of the Trust, as well as setting out our performance in 2023-24.

Brief History and Summary Information

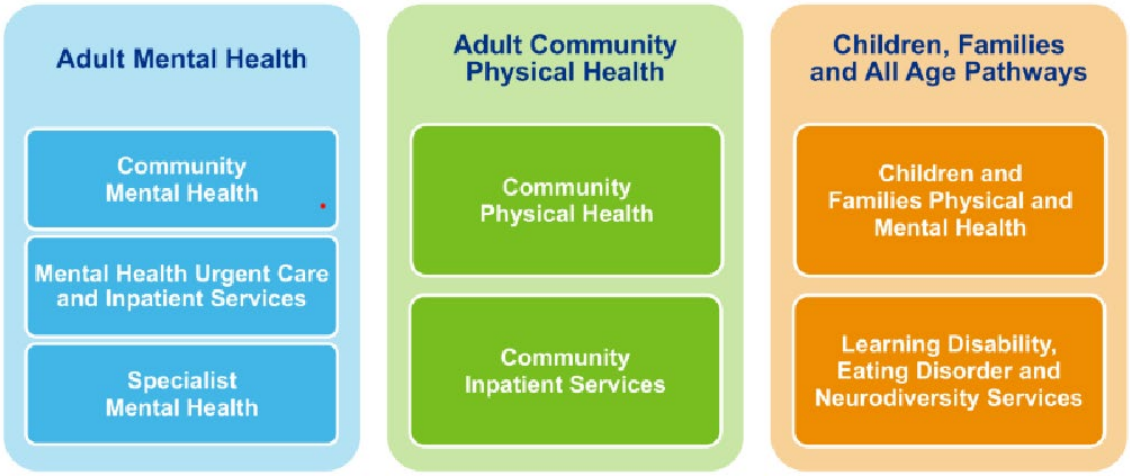
Berkshire Healthcare NHS Trust was established in 2001. The Trust successfully gained NHS Foundation Trust status in May 2007. The Trust was issued with its provider licence in April 2013. In line with the Trust's provider licence, the principal purpose of the Trust is the provision of goods and services for the purposes of the health service in England.

The Trust is the main provider of mental health and community health services to a population of around 900,000 people across Berkshire. We operate from over 60 sites in various community settings across the county. The majority of our healthcare and therapy services are provided to people within their own homes.

The Trust employs approximately 5,000 permanent staff which includes doctors, registered and non-registered nurses, therapists, psychologists and both clinical and non-clinical support staff. We work with our health and social care partners across two Integrated Care Systems: Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System and Frimley Health and Care Integrated Care System.

Our services in Reading, West Berkshire and Wokingham are commissioned by Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System, and services in Bracknell, Slough, Windsor and Maidenhead by Frimley Health and Care Integrated Care System. In addition, there are a few services commissioned by NHS England and NHS Specialist Commissioning. In addition to our NHS partners, the Trust works with our six local unitary authorities, West Berkshire, Reading, Wokingham, Windsor and Maidenhead, Slough and Bracknell Forest, delivering services to children and young people in schools and children's centres, providing a range of specialist services and home visits.

In April 2023, we changed our operational structure moving our services from six divisions into three (see overleaf). The divisions operate across Berkshire (and beyond for services with a wider footprint). However, services continue to be delivered locally by teams working with their local partners and within existing clinical pathways and relationships.



In addition to these services, we operate a Mental Health Inpatient service at Prospect Park Hospital in Reading. All these services are supported by our central corporate teams.

In November 2019, the Trust underwent a comprehensive Inspection by the Care Quality Commission which resulted in the Trust being awarded an overall "Outstanding" rating, including outstanding in the well-led domain.

Ratings	
Overall trust quality rating	Outstanding ☆
Are services safe?	Good ●
Are services effective?	Good ●
Are services caring?	Good ●
Are services responsive?	Outstanding ☆
Are services well-led?	Outstanding ☆

We remain immensely proud of this achievement, and it is testament to the hard work and dedication of all our staff that we have achieved this result.

Our Trust Vision and Values

This year we launched our new Vision and Mission as part of our strategy refresh. This supports our 3 Year Corporate Strategy which was published in March 2021.

Our objectives across patients, populations and people remain relevant to our strategy intent. Our high-level priorities are to:

Continue to improve access, quality, and experience of care for our patients

- *Delivering outstanding patient care*
- *Improving patient safety*
- *Improving health outcomes and experiences*

Work with partners to improve the health outcomes of our populations

- *Providing integrated care closer to home*
- *Improving the health and wellbeing of our communities*
- *Delivering sustainable services*

Make Berkshire Healthcare a great place to work for our people

- *Looking after our staff*
- *Belonging to the Trust*
- *New ways of working and delivering care*
- *Collaborating across our health and social care systems*

Our strategy for 2023-2025 will continue building on the objectives set whilst addressing the evolving circumstances impacting our organisation and our patients, local communities, and people. The five key themes of this strategy are:

- To continually improve patient safety and reduce waiting times
- To actively listen to our patients' experiences and voices, increase patient satisfaction and co-designing services where we can
- To reduce health inequalities for our most vulnerable patients and communities
- To make our organisation a great place to work for everyone
- To use our resources efficiently and focus on long-term investments

We have set clear targets against these each of these strategic themes and performance against these targets is monitored and reported to our Trust Board.

Performance Overview

We have seen a continued rise in demand for our services, with some services seeing an unprecedented increase in the number of people seeking treatment and support. This is impacting both community teams and inpatient units and presents an ongoing challenge for our teams. At the same time, the NHS is facing significant financial challenges which requires us to focus on how and where we employ our resources. Over the past year, we have continued to successfully balance providing high quality clinical services, whilst effectively managing within our financial resources.

We are working hard to bring our waiting lists down and improve our productivity to ensure that we see and treat more patients. This is an on-going focus for the Trust and an area which we expect to make continued improvements.

Whilst we have seen our overall workforce numbers increase and our staff turnover reduce, we still face shortages in key areas, and we are continuing to work hard to attract new recruits into the organisation.

Despite these challenges, the continuing commitment, dedication, and sheer hard work of all our staff, both clinical and non-clinical, has been remarkable. It is testament to them that we have continued to improve the quality of care we provide, as well as improve as an organisation. An example of this is the number of awards and achievements the Trust and our staff have received over the past year. These include:

- Karen Jacobs, Interim Service Lead for School Nursing (West) and Alison Stares, Health Visitor and School Nursing Manager, both received the prestigious title of Queen's Nurse by The Queens's Nursing Institute. This title is awarded to individuals who have a commitment to high standards of patient care, learning and leadership. We are fortunate to have a number of Queen's Nurses at the Trust, and Karen now

joins this fantastic group, who consistently show enthusiasm and passion for the care they provide to their patients and our local community.

- In December, Edd Bartlett, Mental Capacity Act (MCA) Lead, who was one of a few colleagues recognised by the NHS England Southeast MCA Network at their celebration event in London. As the first trust in our region to have a dedicated MCA lead, Edd has been a champion for the MCA, sharing his expertise and experience freely with colleagues across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board.
- In October, our social media team has won the esteemed 'Real Deal' award at the prestigious Golden Ele Awards. The Golden Ele awards are run by Orlo, a social media management platform, and they recognise the most engaging social media campaigns in the public sector. The team were commended on the use of patient and staff stories, as well as the 'day-in-the-life' content, which has become a vital way for us to show the individuals behind the organisation - the faces behind the NHS.
- Our International Recruitment team has been awarded the NHS Pastoral Care Quality Award, in recognition of their ongoing support for international recruits and the continued success of the international recruitment programme. The scheme has seen over 36 staff recruited from overseas since 2021, with a further 10 due to start this year. The team are continually adapting and improving pastoral support to nurses and allied health professionals, ensuring that each recruit feels welcomed, valued, and supported during their relocation journey.
- The Rainbow Garden at West Berkshire Community Hospital received a Gold Award in the Community Projects category at the Newbury in Bloom 2023 Awards. The Rainbow Garden, which opened last year at the hospital, acts as an extension to one of our Rainbow Rooms, used by patients receiving end-of-life care. The garden provides a beautiful and calming space for patients and their loved ones.
- Our BRAVE service (Building Resilience and Valuing Emotions after Domestic Abuse) was shortlisted for the HSJ (Health Service Journal) awards in the Mental Health Innovation of the Year category. The HSJ Awards shines a light on the outstanding efforts and successes of individuals and teams across the NHS. To be shortlisted for the awards is a tremendous achievement.
- Jordan Herrington has been awarded the prestigious NHS England Chief Nursing Officer Healthcare Support Worker Award. An extension to the Chief Nursing Officer and Chief Midwifery Officer Awards, the award aims to recognise and celebrate the vital contribution made by Healthcare Support Workers who consistently demonstrate NHS values and behaviours when fulfilling their everyday roles to provide excellent patient care.
- Jon Giemza-Pip and his canine partner Baxter were crowned winners in this year's Soldiering on Awards. Jon works in the Op Courage service which helps our armed forces veterans suffering from mental health conditions. The Soldiering on Awards are a key event in the Armed Forces calendar, which recognise members of the military community who have changed the world for the better outside the forces. Winners in the Animal Partnership category were chosen following a public vote, in recognition of the unique relationships and companionship animals provide to the

armed forces community.

- Our Infection Prevention and Control Team received a Green Award from the Southeast NHS England Chief Nurse for their contribution to the Southeast Nursing and Midwifery Green Week 2024. The team presented their project: 'promoting safety and sustainability through the reduction in overuse of non-sterile gloves.'
- Squadron Leader, Dr Natasha Knowles, one of our junior doctors, was presented with the Division's Core Trainee of the Year award by the Royal College of Psychiatry's Southeast Division Awards 2024. Dr Knowles received the award for demonstrating an exceptional level of achievement as a professional, clinician, leader, educator, and a researcher. Out of the many achievements that won her the award, the two most prominent were her Prospect Park Hospital 'Resuscitation Equipment Audit' and the results are being implemented Trust-wide, and her work with the Defence Deanery to help design a new streamlined and enhanced perinatal primary care referral interface.

We recognise and encourage patient and carer feedback about our services. Following the successful launch of our new patient experience tracking tool, iWantGreatCare in late 2021, we are now seeing the benefits of tailored and meaningful patient feedback to our services which allows us to evaluate and drive improvements in our services.

Staff well-being remains at the heart of our organisation. We have continued to do everything we can to support our staff. It is encouraging that given all the pressures faced by our workforce, that for the fourth year in a row we are the top ranked Mental Health provider in the country, and in the national top 5 of all NHS providers, for staff recommending us as a place to work.

We continue to focus on increasing and improving our digital offering to both patients and staff and our plans are outlined in our Digital by Design Our Digital Strategy 2022-26. Over the last 5 years we have achieved a great deal using digital tools built on our previous strategy and our NHS Global Digital Exemplar status. We have developed new models of outstanding care delivery and become more efficient and effective in caring for our patients. In the past year, we have continued our development and continued focus on:

- **Digitisation**- moving from manual processes and documents to digital ones
- **Automation** - optimising our processes to improve efficiency and productivity
- **Transformation** - unlocking new value by innovating existing services and processes, or creating brand new value generating services through the use of new technologies

We have continued our commitment to providing high quality services that meet the requirements of our Care Quality Commission registration and in compliance with the conditions of our provider licence.

We ended 2023-24 with a deficit of £3.9m. After accounting for the impact of donations, non-operating fixed asset impairments and the impact of the remeasurement of the PFI liability, we have reported a surplus of £3.8m. This was better than planned performance and in line with our commitment to perform better than planned to support the overall financial position in the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board.

The Trust closed with a cash balance of £52.6m, a £2.6m decrease in year. During the year, we continued to invest in our estate and IT infrastructure and spent a total of £10m.

The Trust continues to work closely with partner organisations in the Frimley Health and Care Integrated Care System and the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System, of which we are a member. This includes working with partner organisations on the delivery of the Integrated Care System objectives and contributing to forward plans where required, including the joint capital forward plan.
Further information can be found on the Integrated Care System website BOB (Buckinghamshire, Oxfordshire and Berkshire) Integrated Care System.

The Trust Board is responsible for preparing this Annual Report and the Annual Accounts and the Trust Board consider the Annual Report and Accounts, taken as a whole, to be fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

The Trust's accounts have been prepared under a direction issued by NHS England under the National Health Service Act 2006. Accounting policies for pensions and other retirement benefits (as set out in the notes to the accounts) and details of senior employees' remuneration can be found in the remuneration report.

The external auditor for Berkshire Healthcare NHS Foundation Trust, as appointed by the Council of Governors, is Ernst & Young LLP. The Trust's internal auditors are RSM Risk Assurance Services LLP as appointed by the Trust Board.

Principal Risks and Uncertainties

A key role for the Trust Board and the Executive Team is to manage and mitigate risks to the delivery of our strategic objectives and we therefore operate a robust risk management process that ensures that all key risks are identified, and that mitigation action is taken to address these. Our Board Assurance Framework and Corporate Risk Register are regularly reviewed by both the Trust Board and relevant Board Sub-Committee and Executive Groups. A detailed review of our corporate risk and mitigations is included in our Annual Governance Statement.

Our key risks relate to the safety of and quality of care we provide to our patients, as well as to the Trust's financial sustainability. We spend considerable time ensuring that financial pressures do not compromise safety and quality. Our key risks include:

- **Inability to recruit and retain sufficient staff which could impact our ability to meet our commitment to providing safe, compassionate, high-quality care and a good patient experience for our service users.**

Despite national workforce pressures and shortage, we have seen our workforce grow over the past year and we finished the year with our staff turnover below our target. However, the high cost of living in Berkshire, along with the availability of specialist staff continues to restrict our ability to recruit into some services. This continues to be a key area of focus for us and is addressed in our People Strategy, which includes initiatives to grow and develop our existing workforce as well as opportunities for increasing apprenticeships in the organisation, build our number of international recruits and continue to improve our well-being and reward offers to staff.

- **Inability to meet the rising demand for our services due to high referral rates and increased acuity of patients. This risk has been elevated following the pandemic, with rates increasing further, particularly in Mental Health Inpatients, Community Nursing, Child and Adolescent Mental Health Services and Common Point of Entry.**

Throughout the year we have continued to invest new funding into our services to build additional capacity to address growing demand. We continue to roll out and embed our quality improvement work across services to increase productivity, deliver better patient, and staff experience.

- **The failure to "hear the patient voice" and take account of patient experience when shaping, adapting, and designing services leading to services which do not meet the needs of all groups of patients and their families leading to inequality of access and poorer health outcomes.**

We recognise that it is crucial to listen to and learn from our patients, and more importantly engage them when looking at how we can improve the services we provide. We are increasing our lived experience workforce and use of service user co-production in quality improvement.

- **The risk of our network and infrastructure being the subject of malware attack which could compromise systems leading to unavailability of clinical systems, loss of data, ransom demands for data and mass disruption.**

We continue to audit our processes and share our Annual Cyber Security Report with our Audit Committee. We retained our National CyberEssentials+ certification and

ultimately continue to invest in our IT Team and infrastructure to defend against this on-going cyber security risk.

Along with our Quality Improvement Programme, we have further strategic initiatives in place to address and mitigate these risks.

Going Concern

After giving due consideration to the principal risks and uncertainties contained in the Board Assurance Framework, Corporate Risk Register, and making additional enquiries wherever deemed appropriate, the Trust Board has a reasonable expectation that the Berkshire Healthcare NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Performance Analysis – Monitoring Performance

The Trust Board oversees delivery against our key performance measures and achievement of strategic objectives. This ensures that the financial and governance requirements of our provider license are met, and that the quality and safety of care we provide meets the requirements of the Care Quality Commission.

The Trust takes an integrated approach to performance, measuring itself against targets and benchmarks in clinical care, quality, and finance. Within each, there are a wide variety of measures, but all are monitored and reported using established and robust systems.

Our Performance Assurance Framework is built on the principles of our Trust Quality Improvement Programme. We review our "True North" organisation goals on an annual basis to ensure that at the highest level, the organisation is focused on the same key goals.

Our organisational goals provide the structure for our annual "Plan on a Page" and are supported by specific measures which enable us to focus our efforts and track our progress effectively. We use our Trust "Plan on a Page" as a template to inform both team plans and individual objectives for all our staff. For 2023-24, our "Plan on a Page" set out the following specific measures against each of our goals:

Harm-free care

Providing safe services

- We will protect our patients and staff by using appropriate infection control measures
- We will identify and prioritise patients at risk of harm resulting from waiting times
- We will ensure face to face care where clinically indicated
- We will continue to reduce falls, pressure ulcers, self-harm in in-patient services and suicide across all of our services
- We will recognise and respond promptly to physical health deterioration on all our wards
- We will improve the physical health of people with serious mental illnesses
- We will strengthen our safety culture to empower staff and patients to raise safety concerns without fear, and ensure learning from incidents

Supporting our people

A great place to work

- We will ensure our teams have access to effective health and wellbeing support
- We will promote a culture of respect, compassion and kindness
- We will not tolerate bullying, harassment or abuse of any kind
- We will support staff to work flexibly and connect with their teams
- We will act on feedback from staff to improve satisfaction and address identified inequalities
- We will provide opportunities for staff to show initiative and make improvements through great team working, Quality Improvement and Bright Ideas
- We will support staff to achieve their career aspirations
- We will attract and welcome school leavers, apprentices, students and international recruits to help close our workforce gaps

Good patient experience

Improving outcomes

- We will reduce length of time patients wait for our services, year on year (compared to 2022 waits)
- We will make every contact count by offering advice in making healthy choices
- We will identify and address inequality of access to services
- We will gain feedback from at least 10% of our patients in each service and demonstrate service improvements based on the feedback

Efficient use of resources

A financially and environmentally sustainable organisation

- We will achieve our financial plan
- We will improve our productivity, returning to pre-pandemic activity levels or

better

- We will take action to reduce our environmental impact

Performance Framework

Our Performance Assurance Framework reflects the key drivers of performance set against our 'True North' goals, our tracker metrics, as well as regulatory compliance. This provides a robust structure to track all performance elements and resolve instances when performance is outside of accepted thresholds.

The tables overleaf show our performance against our key Driver Metrics over the year. These are monitored and reported at all public Trust Board meetings, following detailed review and scrutiny at the Finance, Investment and Performance Board sub-committee and the Quality and Performance Executive Group.

Performance Scorecard - True North Drivers

Harm Free Care

Metric	Target	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
Breakthrough Self-Harm Incidents on Mental Health Inpatient Wards (ex LD)	61 per month	22	24	19	55	37	43	53	28	17	27	39	62
Breakthrough Restrictive Interventions	TBC	337	409	324	320	301	246	294	198	196	160	200	172

Patient Experience

		Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
IWGC Positive Score %	95% compliance from April 22	94.0%	94.2%	94.1%	95.2%	95.2%	94.3%	93.3%	94.3%	94%	94.7%	94.0%	94.5%
IWGC Compliance %	10% compliance	2.6%	3.3%	3.7%	3.5%	4.2%	3.3%	3.6%	3.2%	2.7%	3.3%	3.5%	3.2%

		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Breakthrough Clinically Ready for Discharge by Wards MH (including OAPS)	250 bed days	468	484	565	712	460	348	465	390	559	371	268	353

		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sept-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Breakthrough Bed days occupied by patients who are discharge ready Community	500 bed days	583	799	876	823	768	731	895	783	741	850	756	665

Performance Scorecard - True North Drivers

Supporting our Staff

Metric	Target1	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
Breakthrough Physical Assaults on Staff	44 per month	78	45	59	70	61	52	50	73	106	60	64	34
Staff turnover (excluding fixed term posts)	<=16% per month, 14% by March 2024, 13% by March 2025, 12% by March 26	15.85%	14.87%	14.54%	14.35%	14.09%	13.63%	13.42%	13.03%	12.87%	12.33%	12.83%	12.28%

Efficient Use of Resources

YTD variance from control total (£'k) (Subject to Audit)	1.3m	-261	-441	-805	-1116	-1430	-1983	-1492	-1459	-1712	-1914	-1648	-2476

		Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
Inappropriate Out of Area Placements	0 Cumulative Total Q4 2023/24	110	144	180	327	633	786	350	834	975	50	185	373

In addition to our 'Driver' Metrics, we report on a number of 'Tracker' metrics and follow a strict set of business rules which manage the reporting and escalation when performance is off target. Performance against both our 'Driver' and 'Tracker' metrics are available for the public to view as part of our published Trust Board papers and can be accessed via the Trust's website.

We also use benchmark information to inform our assessment of our services' efficiency and effectiveness compared to other providers. We undertake regular data quality audits and Information is also triangulated with data from other sources, such as Trust Board and Governor Quality visits, complaints and patient feedback to provide additional assurance on performance quality.

Financial Performance

The Trust's financial position is detailed in the Annual Statutory Accounts, which are part of this Annual Report. The Audit Committee on behalf of the Trust Board approved the full Audited Accounts on 19 June 2024 and the Auditor's opinion on the Financial Statements was unqualified.

The Trust delivered its financial plan for 2023-24 and ended the financial year reporting a deficit of £3.9m. After accounting for the impact of donations, non-operating fixed asset impairments and the re-measurement of PFI liabilities, the Trust has reported an adjusted surplus of £3.8m

A summary of our financial performance can be seen in the table overleaf. Our financial statements can be found in the Annual Accounts later in this report.

	Actual	Plan	Variance
	£m	£m	£m
Operating Income	367.2	351.0	16.2
Elective Recovery	5.3	4.0	1.3
Total Income	**372.5**	**355.0**	**17.4**
Staff Costs	278.1	266.5	(11.5)
Non Pay	68.3	62.4	(5.9)
PFI Lease	8.3	9.0	0.7
Net Interest	6.4	3.0	(3.4)
Depreciation	10.8	10.7	(0.1)
Impairments	4.4	0.0	(4.4)
Disposals	(0.0)	0.0	0.0
PDC Dividend	0.1	2.2	2.1
Total Expenditure	**376.4**	**353.8**	**(22.6)**
Reported Surplus/(Deficit)	**(3.9)**	**1.2**	**(5.1)**
Impairments	4.4	0.0	4.3
Donated Income	0.0	0.1	0.0
Impact of PFI Liability Remeasurement	3.3	0.0	3.3
Adjusted Surplus/(Deficit)	**3.8**	**1.3**	**2.5**

The Trust works more closely than ever with system partners. Our Trust's individual financial performance is now aggregated with that of our partners across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System and collectively we are responsible for the delivery of the system's financial targets. This ensures that we continue to build a shared responsibility for effective use of our collective resources as we aim to achieve financial balance across the system. The Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System reported a £53.4m deficit for 2023-24.

The Trust's revenues are predominantly generated from other NHS organisations and we have generated income of £17.3m in excess of planned levels this year. This included a £10.8m funding adjustment for Employer's Pension contributions. Earlier in the year, the Trust received additional funding for the 2023-24 pay award which was higher than the percentage included in the plan. NHS England enabled Trusts to adjust plans to take account of this. We have also benefitted from a higher level of Elective Recovery Funding than was planned. Pay costs were £11.7m higher than planned, but again this is largely driven by the in-year Employer's Pension Adjustment and the final pay award. Non-pay costs were higher than plan, but this was in part due to the

remeasurement of PFI liabilities. Mental Health placement costs were higher than planned as pressure continued on our Mental Health inpatient services.

Our level of capital expenditure must now be agreed with our system partners within an overall system allocation. We have continued to invest in technology, improving cyber security, enhancing and developing on-line services to patients and continuing to enable our workforce to work remotely. Our overall capital investment in technology was £6.3m this year. In addition to technology, we have continued to ensure our facilities are safe and of good quality. This year we have invested £3.7m in our estate including moving services from the Old Forge into Wokingham Hospital and new facilities at Denmark Street and Resource House.

The Trust finished the year with a closing cash balance of £52.6m, which represents a decrease of £2.6m compared with the previous year.

The Trust has no overseas operations.

Important Events Since Year End

There are no material events to report since 31 March 2024.

Better Payment Practice Code

The Trust aims to pay suppliers and providers of goods and services promptly and has a target of paying 95% of all invoices within 30 days of receipt. The actual performance for the Trust for financial year 2023-24 was as follows:

Non-NHS Payables

	No of Invoices (count)	% of activity	Value of Invoices (£'000s)	% of value
Paid within 30 days	23,934	96.1%	84,937	94.3%
Paid over 30 days	974	3.9%	5,176	5.7%
Total	**24,908**	**100%**	**90,113**	**100%**

NHS Payables

	No of Invoices (count)	% of activity	Value of Invoices (£'000s)	% of value
Paid within 30 days	1,132	98.2%	10,431	97.2%
Paid over 30 days	21	1.8%	298	2.8%
Total	**1,153**	**100%**	**10,729**	**100%**

Joint Forward Plans and Capital Resource Plans

We have jointly prepared the Joint Forward Plans in the Frimley Health and Care and Buckinghamshire, Oxfordshire and Berkshire West systems, with specific contribution to community and mental health elements. This has included a system-wide stakeholder workshop and more detailed development of objectives and measures through the mental health provider and key workstream groups including children and young people and neurodiversity. Our Board endorsed both plans for submission to NHS England.

We work closely with our partners across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System to agree our annual proportion of the systems capital allocation, and throughout the year our spend against this allocation is closely monitored and reported to system Chief Financial Officers, ensuring that in year variances to allocation are managed to ensure that the system fully utilised its allocation.

Health Inequalities

The Trust is committed to reducing health inequalities and has had a dedicated Reducing Health Inequalities Oversight Group in place since 2021. We are finalising our Health Inequalities strategy which includes the ambition:

> *"We will reduce health inequalities by ensuring equitable access to our services, improving health outcomes for our most vulnerable patients and communities and aligning with our place level partners to address the social determinants of health."*

Our strategy focusses on outcomes, access, and experience of our services and focusing specifically on the variance in those dimensions faced by ethnic minority groups and those coming from areas of high-income deprivation. We have taken this focus from a

healthcare provider perspective, inequalities can manifest in various ways, such as uneven access to services, unequal availability of services, and inconsistent experiences with services. All of these can lead to inequalities in outcomes. As an organisation committed to anti-racism is it important that we understand the impact of structural racism on the way our community access and experience our services.

We also recognise the importance of working in partnership with others to address the structural causes of inequalities, addressing the wider determinants of health through our partners and the generation of social value. Our strategy is to align our activities to support our partners, working at place level to address the social determinants of health and to define our own activities that can generate social value.

Many inequalities in health outcomes are a result of inequalities in the wider determinants of health such as housing, employment and other social, economic and environmental factors. Several studies have concluded that wider determinants have a greater influence on health than health care, behaviours or genetics. In 2023/24 we have focused on:

- Developing an Anti-Racism strategy
- Reducing the number of Mental Health Act detentions for Black individuals
- Physical Health Checks for people with severe mental illness
- Diabetes
- Reduction of smoking for people with severe mental illness
- Building an understanding of health intelligence across the Trust
- Initiated a corporate Quality Improvement approach to tackling health inequalities across our services

Developing an Anti-Racism strategy

The Anti-Racism Strategy was developed due to persistent and unacceptable inequalities faced by our ethnically diverse staff and patients, as evidenced through data such as the Workforce Race Equality Standard and other well documented reports. We have taken an intentional and impactful approach to becoming an anti-racist organisation. It is important that our communities know that 'not being racist, is not enough' for us and that we all need to come together and confront racism and discrimination in all its forms.

Throughout the year, our strategy has led to significant actions, including reviewing disciplinary processes, launching the Prospect Park Hospital Advocacy for Racial Equality Team, engaging with the Equality staff networks, and initiating the Berkshire Healthcare Anti-racism in Healthcare CommUNITY Forum. Executive leadership has overseen progress, with all Executives leading on a different workstream as we acknowledge the need for more action.

Reducing the number of Mental Health Act detentions

National data indicates that Black individuals are disproportionately more likely to be detained under the Mental Health Act. This is reflected in the Trust's recent data analysis which shows that Black individuals are 2.43 times more likely to be detained under the Mental Health Act (MHA) than white individuals. In addition, there is significant variation across localities. Depending on which locality a Black individual resides in, they may be significantly more/less likely to be detained under the MHA (e.g., Black individuals residing in the Royal Borough of Windsor and Maidenhead are 2.99 times more likely to be detained, in Bracknell Forest 2.95 times, Wokingham 2.7 times and Slough 1.07 times.

We have four workstream supporting this project:

Workstream 1: Case review of Mental Health Act Section 2 detentions

We have completed the literature review and built a series of hypotheses to be tested and are close to completion of the case review of section 2 detentions.

Workstream 2: **Mapping holistic mental health offerings across the localities**

We commissioned the South, Central and West Commissioning Support Unit to produce an electronic map of all Mental Health offerings across Berkshire to allow us to see if there are any gaps for black service users. This has been completed.

Workstream 3: **Community Engagement and connecting with people with lived experience**.

We have commissioned MIND in Berkshire to support community engagement of lived experience patients (and their families/carers), this continues into 2024/25. MIND in Berkshire will also interview Trust staff who were involved in detentions to understand their experiences, this also continues into 2024/25.

Workstream 4: Understanding the drivers leading to detentions

The fourth workstream focusses on the data from the Section 2 reviews, feedback from people with lived experience, the wider community, and analysis of the current service offer to understand the drivers leading to detentions. We have a Memorandum of Understanding in place with NHS Race and Health Observatory to provide independent critical support and are working with the University of Reading for independent analysis of the data from Workstreams 1–3, to understand key reasons for inequality in MHA Detentions for black individuals.

Physical health checks for people with Severe Mental Illness

People with severe mental illness are at a greater risk of poor physical health and have a higher premature mortality than the general population, often dying 20 years sooner of preventable long-term conditions i.e., cardiovascular disease or cancers. Compliance

in Berkshire Healthcare for all 6 elements of the health check (blood pressure, BMI, lipids, blood glucose, smoking and alcohol) was 14%.

What are we doing? Health checks are offered at clinics, home visits and community sites. Telephone, text, letter and opportunist offer of health checks implemented. Focus on smoking and tobacco dependence Health check offer on the Trust's Health Bus at Tesco and Morrison's supermarkets. This has resulted in a compliance rate of 92% as of February 2024.

Reduction of smoking for people with serious mental illness

The smoking prevalence in adults with diagnosed long-term mental health conditions is more than twice that of the general population in Berkshire West (25.2% versus 10.9% respectively). This varies by local authority with prevalence; 28.9% in Reading and 17.6% in Wokingham. 1 in 3 adults with a severe mental illness are smokers in Berkshire West, three times the general population.

What are we doing? An in-house Tobacco dependency service commenced in 2022 at Prospect Park Hospital. All patients with severe mental illness are screened on arrival (target 90%) and referral is made to the Tobacco Dependence Unit. We are also rolling out 'Very Brief Advice on Smoking' (VBA) training to all front-line staff. Linked to the Quality Improvement metrics Pilot of 'swap for stop' - vape starter kits alongside behavioral support - to help them quit the habit is to commence in Reading in quarter 1, 2025.

Diabetes

The Trust is not currently commissioned to provide a Community Diabetes Service for people living with Type 2 Diabetes. Everyone with Type 1 Diabetes is entitled to be cared for through the Trust's Diabetes Specialist Service and we have worked hard to address areas of variability in access through increased numbers of programmed activity and outreach services.

We recognise that we still have work to do to improve equitable access and have been focusing on improving the coding of patients within Connected Care Data to ensure we can see who is and is not accessing our Diabetes Specialist Care.

What are we doing? In 2023/24 we have initiated work to improve our coding and cleanse the data. Through this we identified a cohort of patients who have Type 1 Diabetes who do not appear to be accessing our Diabetes Specialist Service. Piloted during COVID-19, the Trust's Health Bus now provides services such as NHS Health checks, vaccinations and screening, advice and sign posting to all of our services including Diabetes Specialist Care. We have visited Gypsy, Roma and Traveller community sites, areas of high deprivation, and areas with low take up of our services. We have recruited community nurses to work with GP practices and set up community teams to address inequalities in access. This work is ongoing and will continue into 2024/25.

Health Intelligence

Recognising the importance of Health intelligence in addressing health inequalities, we have been working collaboratively with our Business Intelligence team, clinicians and key stakeholders to co-design a Mental Health Act Tableau performance dashboard, further strengthening our Mental Health Act Detentions Data Analysis by:

- Having access to **live data**
- Providing a **consistent approach** - turning health intelligence into actionable data
- **Summary infographics** – readily available in various formats e.g., PDF, Power point and Excel
- **Identifying themes** by comparisons of rates of detention under the MHA, for different age groups, or ethnicities or genders, localities as derived from RiO (electronic patient record system)
- Resulting into **fewer data requests to the Business Intelligence** team
- Greater visibility for key stakeholders
- **Potential to act as long-term solution for Mental Health Act data requirements for reporting, tracking and monitoring.**

Developing a Quality Improvement approach to Health Inequalities for 2024/25

We have developed a corporate level quality improvement programme to scope, engage and address (on our own and with partners) key identified health inequalities and drivers for our patients and communities. During 2023/24 we examined our data, established a Quality Improvement working group, consulted with operational leads, held engagement events and held a prioritisation workshop. The following projects six projects have been prioritised:

1. Improving physical health outcomes for people with severe mental illness (SMI) and autism

Reading is an outlier for the inequality in life expectancy for people with SMI and in premature mortality due to cancer in adults with SMI.

What we aim to do:

- To identify the top contributors for premature mortality amongst people with SMI in Reading and work with system partners to put in place countermeasures where possible.
- It is likely to focus on reducing smoking and increasing participation in national cancer screening programmes.

2**. Reducing the number of people who did not attend their appointments (DNAs) for our physical health services for people from racialised communities**

Prioritising Nutrition and Dietetics services, where DNA (did not attend) rate for Black

and Asian service users is twice that of white service users; and the service users from racialised communities are nearly twice as likely to be discharged without being seen compared with white service users.

What we aim to do:

- To understand the root causes of the inequalities experienced by services users, starting in Slough where the biggest differences in these access measures occur
- To work with colleagues and the community to test countermeasures for improving access to the service and share learning with others
- To reduce DNA rate from 11% for Black and Asian service users to, at least, the 7% service average.

3. Improving Health Visiting contacts in Reading

An Improvement project prioritising areas of Reading which have high 'Did Not Attend' (DNA) rates and low conversion of referrals to contacts in Health Visiting.

What we aim to do:

- To understand the root causes of the inequalities and the barriers to access to the service in Reading.
- To test countermeasures that will reduce the rate of DNA and increase contacts for Health Visiting.
- To increase the number of contacts per referral to greater than 2.5 (currently less than 2)

4. Reducing suicide and self-harm amongst people with autism

This is also a priority for our Patient Safety team due to the significantly higher rate of suicides recorded with confirmed and suspected diagnosis of autism and neurodiversity, compared with the national average.

What we aim to do:

- To complete a review of past cases and identify areas for improvement in our support of people with autism and neurodiversity in our mental health services
- To work with colleagues to test countermeasures and appropriate process measures.

5. Improving access to Talking Therapies for people from culturally and ethnically diverse backgrounds

We are prioritising improving the recording of ethnicity and demographic information and improving referrals to the service through outreach in Slough. We want to improve access to the service for Culturally and Ethnically Diverse (CED) clients and to ensure the ethnicity of service users reflects the population served.

What we aim to do:

- To understand the root causes of the inequalities in access experienced by services users
- To increase the referrals for CED clients to Talking Therapies to 43% in the East and 29% in the West.

6. Improving access to CAMHS (Child and Adolescent Mental Health Services) early help services for young people in Slough

A Quality Improvement project has been established, led by the CAMHS team, which is aiming to improve the representation and access of racialised communities in Slough Early Help services, engaging with local voluntary organisations and young people in Slough.

What we aim to do:

- To understand the root causes of the underrepresentation of specific populations in accessing Early Help services
- To increase the referrals from Asian and Asian British communities to at least > 40% in Slough.

Social, Community, Anti-Bribery and Human Rights Issues

The Trust Board conducts its business in an open and transparent way. We are committed to preventing bribery and combating fraud. To limit our exposure to bribery, we have in place a Standards of Business Conduct policy, a Freedom to Speak Up: Raising Concerns policy and our Duty of Candour and Being Open policy.

We hold a register of interest for directors, staff, and governors and ask staff not to accept gifts or hospitality that will compromise them or the Trust. We employ TIAA, our local Anit-Crime specialists who investigate, as appropriate, any allegations of fraud, bribery or corruption supported by our Counter Fraud policy.

As a public sector body, we are committed to fully meet our obligations under all aspects of Human Rights Act 1998, Mental Health Capacity Act 2005 and the Equality Act 2010 and ensure we have supporting policies in place within the Trust including Mental Capacity Act and Deprivation of Liberty Safeguard policy, Section 132 Detained Patient's Rights policy and Equal Opportunities and Diversity policy. Trust policies are available to all staff and are routinely updated and reviewed.

Equality of Service Delivery

We have a Trust Board-approved Equality, Diversity and Inclusion Strategy which

includes targeted interventions for our workforce and patients and communities who use our services. We are clear about our responsibilities under the public sector equality duty, which include:

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

We have identified clear areas of focus for our patients and service users and our staff. More information is set out in the Equality, Diversity and Inclusion section of the Annual Report and in the Equality, Diversity and Inclusion strategy (available on the Trust's website).

Key performance indicators for all the work identified in the Equality, Diversity and Inclusion Strategy are monitored regularly via the Trust's Diversity Steering Group, Strategic People Group and reported periodically to the Trust Board.

Further progress will also be measured through compliance and benchmarking work associated with the Workplace Race Equality Standard (WRES) and Workplace Disability Equality Standard (WDES), Gender Pay Gap (GPG) reports which are published annually, and the Stonewall Workplace Equality Index (WEI) which is submitted annually.

Equality, Diversity and Inclusion (EDI)

This section sets out how we have met the legal duties set out in the Equality Act 2010 and the Health & Social Care Act 2022, and our obligations set out in the NHS Standard Contract. The report outlines the work undertaken to meet our commitment to improve health and wellbeing for all, and reduce inequalities for our patients, local population and workforce. We have highlighted some of our broader equality, diversity and inclusion work that supports our objectives set out in the Trust's Equality, Diversity and Inclusion (EDI) Strategy 2021-24. The EDI strategy will be refreshed in 2024/25, taking account of NHS England's Equality, Diversity and Inclusion Improvement plan (6 High impact actions) and will be aligned with the aims of the refreshed Trust Strategy.

Public Sector Equality Duty

As an NHS Provider, the Trust must meet the Public Sector Equality Duty (PSED) as outlined by the Equality Act 2010. This duty requires us to carefully consider the impact

of our actions and decisions on individuals which include the following protected characteristics, Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race and Ethnicity, Religion or belief, Sex and Sexual orientation. In addition, we also think about the needs of Armed Forces personnel, veterans, parents, carers, and their families, as well as homelessness, socioeconomic background, drug and alcohol misuse, geography, looked after children and other stakeholders specific to our organisation such as students, patients.

Equality, Diversity and Inclusion Strategy

Our Equality, Diversity, and Inclusion (EDI) Strategy supports our workforce and communities through our commitment to fairness, inclusivity, and ensuring equal access to healthcare services. Our primary EDI focus is on fostering a culture of inclusion and belonging whilst eliminating discrepancies in experiences:

For our People

- We have developed an EDI People Dashboard to support the improvement of assessing the equality impact of our people performance such as implementing better inclusive recruitment practices and communication plans.
- We have continued to develop our equality staff networks, to create value, a sense of belonging and psychologically safe spaces for all staff and allies.
- We developed our core behaviours, promoted career development opportunities, identified improvement and efficiencies in our reasonable adjustments, and taking actions in addressing pay gaps.
- We have also developed an anti-racism strategy and action statement.

For our Patients and Communities

- We have empowered colleagues and community leaders to collaborate in our commitment to enhance healthcare delivery and patient engagement and experience.
- We developed a CommUNITY Anti-racism in Healthcare Forum.
- We have delivered against the Accessible Information Standard and there have been Improvements in interpretation and translation services in identifying efficiencies, enhancing feedback methods, and developing clearer inclusive assessments, processes, and policy.
- We provided guidance to operational staff on addressing racial disparities and enhancing a multi-cultural approach for our community in terms of access, outcomes and experience.

Equality, Diversity and Inclusion Progress

Staff Network: Pride Network

In the past year, our LGBTQ+ staff Network 'Pride' experienced a 32% decrease in membership, with current membership standing at 105 people. However, with a new Chair, the network remains committed to representing the voices of the LGBTQIA+ community and seeking guidance from key stakeholders, members, allies, the EDI team, and its Executive Sponsor.

In March, our Pride Network honoured Transgender Day of Visibility by hosting a virtual webinar in April, featuring Jude, a transgender, non-binary model and LGBTQIA+ advocate, who emphasised the importance of visibility and education about the trans community. Additionally, in June 2023, the network celebrated Pride Month with a virtual event featuring the late Robin Windsor, a former Strictly Come Dancing professional and LGBTQIA+ advocate, who shared his life story and experiences as a gay man in the entertainment industry. The event provided staff with valuable insights and opportunities to engage in discussions related to Pride Month and LGBTQIA+ issues.

Additionally, we supported our Pride Staff Network through an election campaign, culminating in the successful appointment of a new Chair in November 2023. We refreshed the network's logo to better reflect the evolving representation within the LGBTQIA+ community, including intersex individuals.

Bracknell Forest Pride, and Reading Pride

We supported Bracknell Forest Council in June by celebrating its first ever Pride festival in the town centre, supporting the local LGBTQIA+ community's diversity. It featured performances by LGBTQIA+ musicians, dancers, and drag queens, along with advice stalls from organisations like SupportU, and Frimley Health and Care Integrated Care System partners. Our presence included Our Pride staff Network, Talking Therapies and Sexual Health teams. Attendees created a rainbow paper chain with messages of support. Free glitter stations and face painting were also popular.

Reading Pride took place a few months later in September, which continues to play a key role in developing and sharing best practice internally at the Trust and beyond with partner organisations and with physical presence at events through community engagement activities. We offered: health checks, sexual health advice, shared available jobs, and careers, talking therapy support, health visiting, trust membership, patient experience and networks. We were able to connect with active community members (54% of people that gave us feedback identified as LGBTQ+), with lived experience that are keen to work together. This helps us to improve LGBTQIA+ care within the NHS.

NHS Rainbow Badge Scheme Reassessment

The scheme now closed, supported by 77 trusts, involved an accreditation model to demonstrate commitment to reducing barriers for LGBTQIA+ patients. Our Bronze level indicated our existing commitment and potential for further inclusion efforts. We remain committed regardless of any awards.

Transgender and Non-Binary

In July, we honoured Gender Identity with International Non-Binary Peoples Day, which celebrates people who identify as non-binary and to raise awareness of what it means when your gender does not conform to society's binary, and delivered a virtual training session with Inclusive Employers to explore such topics as; 'Terminology associated with gender identity', 'A brief history of gender identity, 'What it's like to be Trans and Non-binary in 2023' and 'How you can be more Trans inclusive'. Around 200 people attended (more caught up post event with our on-demand recording). We created bitesize subject matter webinars from the session on our staff learning platform – Nexus eLearning.

Initiative: Radio Pride - 'Ask Anne Anything' Podcast

In February 2024, our 'Radio Pride initiative' celebrated LGBTQIA+ History Month with a virtual event that featured inspiring stories, empowering music, and 'Ask Anne Anything' with Anne, a trans woman we met at Reading Pride. Participants engaged through questions submitted in advance, anonymously and in real time during the Podcast. The initiative aimed to educate and celebrate the LGBTQIA+ community's contributions throughout history and saw around 80 attending online, with an average feedback score of 9.6/10 from those who attended or watched 'on demand' afterwards.

Disabilities, Mental Health, and Wellbeing

Staff Networks: Purple, and Carer

The Purple Staff Network serves as a platform for staff with disabilities, mental health conditions, neurodivergent colleagues, and carers to collaborate and share experiences. The Purple Network currently has around 288 members which is a rise of just over 6% from last year. The Network has continued its programme of activities and initiatives to support disabled staff and promote inclusion across the organisation. Some key highlights from their workplan include:

- Regular "Purple Coffee House" sessions, providing a forum for discussions, guest speakers and sharing resources on topics like mental health, neurodiversity, caring responsibilities, and reasonable adjustments.
- Promoting International Day of Persons with Disabilities on 2 December, urging staff to "wear purple".

- Promoted Learning Disability Awareness Week in June by sharing a series of videos from Mencap's myth busting campaign, challenging stereotypes, and championing accomplishments.
- Joint initiatives like the Trust's 'Brighter Together' event where all networks were present in looking at innovation.
- Creating a new Joint Network Registration form to enable staff to easily sign up to multiple networks mailing lists, promoting an inclusive approach, and encouraging sharing of equality monitoring data.
- Contributing to the development of resources and initiatives, such as reasonable adjustments staff information video and the Carers Handbook, to support staff who are carers. Collaborative efforts between the Purple Network and the Trust aim to enhance staff well-being and promote inclusivity in the workplace.

Mental Health Act Detention Project

AS mentioned in the Performance Section of the Annual Report, our Mental Health Act Detention Project in collaboration with Mind in Berkshire, aims to understand and address the disproportionate detention rates of Black people under the Mental Health Act.

National data highlights this disparity, with Black people being five times more likely to be detained compared to white people. Through anonymous engagement with people and their families, the project seeks to gather lived experiences to inform service improvements, tackle health inequalities, and enhance mental health services for Black communities. The findings will undergo independent review by the NHS Race and Health Observatory, with action points integrated into future interventions. The project has progressed with literature reviews, community engagement, and partnerships established with key stakeholders. Continued challenges are and will be cultural sensitivity in communication and resource allocation have been identified.

Neurodiversity Strategy

In 2021, we committed to developing a neurodiversity strategy, marking significant progress in supporting neurodivergent patients, staff, and families, and fostering a culture of neuro-inclusivity. Neurodiversity, encompassing conditions like autism, ADHD, dyslexia, and Tourette's syndrome, acknowledges brain differences as normal, though society's design often poses challenges for neurodivergent individuals. Our Neurodiversity Strategy, addresses autism and ADHD for patients and wider neurodiversity for staff, aims to improve access to quality care, training, and support while adhering to legal requirements under the Equality Act 2010 and National autism strategy.

We have made significant strides. Additionally, staff stories provide firsthand perspectives, while a comprehensive Frequently Asked Questions addresses common concerns. Through ongoing engagement, resource development and projects to

increase awareness and reduce stigma for neurodivergent patients and workforce like:

- Neurodiversity passport: personal communication and support needs, logged on patient records.
- Trust-wide events: such as Neurodiversity Celebration Week, World Autism Acceptance Week, or the launch of 'Find your Tribe' neurodiversity staff peer support group.
- Sensory reviews: conducted by experts by experience on mental health wards.
- Neurodiversity data dashboard: developed to track key metrics.
- Neurodiversity toolkit: designed for managers and colleagues.
- Neurodiversity internet/Intranet pages: one supporting patients and families, one supporting the workforce that includes a comprehensive Frequently Asked Question sections to address common concerns.
- Targeted projects: including review of self-harm and incidents on mental health inpatient wards.

We aim to create an environment where all staff, neurodivergent or neurotypical, thrive and support each other.

Accessible information Standard (AIS)

We took proactive steps to enhance accessibility by creating AIS grab bags for 70 identified services across the Trust. Distributed over a three-day period, contained essential communication aids such as portable hearing loops, charts for non-verbal patients, whiteboards, and pens. Feedback from services has been positive, with requests for more grab bags. We recognise the importance of ongoing dialogue with services to understand their specific needs and ensure effective implementation. We are dedicated to fully embedding AIS across all services, a process that will extend into the coming year.

Patient Administration System – RiO

Feedback from staff highlighted the need to improve data collection and storage methods to monitor and address inequalities in access and provision of care within Service administration. The Trust's transition to centralised data recording on RiO posed challenges, as existing questions and answers were not aligned with current social terminology or NHS digital recommendations. To address this, a group of key stakeholders within the Trust collaborated to initiate changes in the patient administration system, resulting in updates to ‘gender titles,’ addition of a ‘disability monitoring form link,’ and inclusion of a ‘sexual orientation pick list.’ These changes are aimed at enhancing understanding and completion of equality monitoring information and were well-received by staff, demonstrating the collective effort to improve service provision.

Reasonable Adjustments

Workplace adjustments are made to support employees with long-term disabilities or

health conditions (Mental and/or physical), to perform their duties effectively and participate fully in the work environment. Following feedback from staff regarding the complex and lengthy reasonable adjustment processes, the EDI team has initiated a quality improvement project to revise, streamline the process, address any gaps in provision and ensure staff promptly receive appropriate adjustments to support them to effectively fulfil their duties. Revisions to the process are likely to demonstrate savings both financially and in staff time. This work includes finalising a reasonable adjustment video to promote awareness for existing and prospective staff which was showcased at the 'Brighter Together' event in November 2023.

Accessible books for staff

Our library service also signed up for The Royal National Institute for Blind People (RNIB) Bookshare. This allows us to provide books and information in a wider range of formats, including audio, braille and enlarged fonts. This supports people with a print-disability, with dyslexia or blind or partially sighted.

Interpretation and Translation

The EDI team now oversees the spoken and British Sign Language (BSL) interpretation contracts. We transitioned from one supplier to a new one which posed challenges but brought an opportunity to facilitate clearer communication and training plans. Acting on feedback and working collaboratively has meant that we have successfully trained 340 colleagues in accessing the new service. We have also seen an increase in quality and reliability with the percentage of translation requests being met, rising from 81% in June 2022 to 86% in June 2023 and more recently improving to 98% in February 2024. We continue to develop improved contract management, including addressing potential cost savings, periodic re-training to accommodate staff turnover, enhancements in patient services, meeting staffing pressures and demands for rare languages, policy development, and capturing demographic data.

Carer Confident Accreditation

We achieved **Carer Confident Level 2: Accomplished in providing carer support**, demonstrating a commitment to creating an inclusive workplace for carers. This achievement signifies that the Trust has implemented processes to help carers identify themselves in the workplace, involved carers in policy development, and offers practical support and communication channels for carers. It reflects the Trust's dedication to supporting its workforce and highlights its potential to progress towards Level 3 Ambassador status in the future. The Carer Confident benchmark acknowledges the Trust's efforts to promote inclusivity and support carers within the organisation. The certification is valid until 15 February 2027.

Disability Confident Accreditation

The Trust currently holds the highest level of Disability Confident status, as a Leader. Our ongoing efforts are focused on maintaining this accreditation and enhancing best practices. This enables us to create better pathways for individuals with disabilities, impairments, or long-term health conditions to access and maintain employment within the Trust. Together, with our neurodiverse development team, the Purple Staff Network, and our Integrated Care Systems partners we will develop and evaluate our strategies and future work to renew our 'leader' status, which is due in 2025.

Race and Ethnicity

Staff Network: Race Equality Network (REN)

The REN membership has decreased by 15% to 234 members last year. Despite this, the network has been actively involved in anti-racism action and strategy development, education, and engagement effort such as:

- Village Voice forum - which meets to provide a safe psychological safe for its members every fortnight.
- South Asian Heritage Month - throughout July and August, we spotlighted the rich diversity and history of the South Asian community, where this year was 'Stories to Tell' encouraging staff to share personal stories and experiences. Using our Health Bus, the network visited our main locations across the Trust to gather our workforce, emphasise inclusivity, find information about becoming a blood donor, sickle cell anaemia, diabetes and healthy eating with the wellbeing team and discuss advocacy for a more equitable society. Positive feedback from all underscores appreciation for our efforts in promoting understanding and unity.
- Black History Month Event: In-person event sharing lived experiences around Black history and culture and guest speakers.

Black History Month

We celebrated Black History Month in 2023 with a diverse lineup of events under the theme 'Saluting our Sisters.' Activities included:

- Diversify Your Bookshelf: a yearlong initiative with monthly engaging sessions around thought-provoking books exploring various aspects of the Black experience.
- Berkshire Healthcare Thank You Thursdays: Social media posts, spotlighting healthcare heroes from the Black community.
- Radio Windrush: Music podcast celebrating Windrush impact on British culture and music since 1948.
- Berkshire Healthcare Anti-Racism CommUNITY Launch Event: Launch of our community forum, dedicated to addressing racism in healthcare.

Our partners from both Buckinghamshire, Oxfordshire and Berkshire West and Frimley Health and Care Integrated Care systems organised a series of events accessible to all our workforces. These included discussions with authors like Andrew Mutandwa and Onyekachi Wambu, workshops addressing race and racism, and special events spotlighting healthcare heroes. Other notable events included discussions with John Amaechi on anti-racism development and action in the health and care system, a workshop on addressing race and racism within Frimley Health and Care, and a virtual book club discussing themes of identity and family.

Initiative: Windrush 75

In honour of Windrush and the NHS celebrating 75 years, we commemorated the legacy of the HMT Empire Windrush's arrival in the UK on 22 June 1948, recognising the significant contributions of the Windrush generation to the NHS and highlighting the beginning of post-war immigration. These activities highlighted our progress, emphasising the power of diversity and unity in overcoming adversity, whilst also honouring the importance of post-war migration to the NHS. Through these endeavours, we reaffirmed our commitment to fostering belonging and inclusivity at Berkshire Healthcare.

- **Lived Experience Storytelling**: three of our colleagues shared their personal connections to Windrush, reflecting its enduring impact on our community and society.
- **Golders Luncheon Club**: in collaboration with the University of Reading, we gathered stories from members of the Golders Luncheon Club, fostering discussions on unity and diversity. Live music by Dudrey Brown on steel pans added to the celebratory atmosphere.
- **Radio Windrush**: we hosted a special Radio Windrush Podcast attended virtually by over 185 of our staff and partners, featuring music, relaxed conversation, and personal reflections, exploring the power of diversity and unity in overcoming adversity.

International Recruitment

We initiated an international recruitment programme in 2021 to attract diverse healthcare professionals and address staffing shortages, providing comprehensive support throughout the process. The programme has successfully onboarded over 36 international employees across various roles like nursing, occupational therapy, and podiatry, achieving a 100% Objective Structured Clinical Examination (OSCE) pass rate. It offers relocation packages, cultural transition training, pastoral care services like airport pickups and accommodation assistance, onboarding processes including ward introductions and OSCE preparation, and ongoing professional development support. The Trust received the NHS Pastoral Care Quality Award for our

exceptional services to international recruits, scoring 11.53/12. The programme has expanded across multiple wards and departments, and future plans include enhancing processes, additional integration resources, promoting career pathways for international staff, collaborating with community groups, and regularly reviewing the programme to meet evolving needs.

Initiative: Multi – Faith Project

The Multifaith Education and Engagement Project arose from our strategic aims to address health inequalities, anti-racism, and community engagement. We partnered with Buckinghamshire New University to develop resources, training, and workshops to raise awareness about the importance of faith in healthcare delivery among the workforce and local diverse communities. The project commenced in November 2023 and is currently in its first phase of raising awareness through developing an e-learning module, intranet resources, promotional materials, and face-to-face/online workshops co-produced with faith leaders and the Anti-Racism CommUNITY Forum. Subsequent phases will focus on strengthening community partnerships, sourcing faith-based products for patients, exploring a staff network, and considering multi-faith placements. The intended outcomes are to educate and empower staff to provide inclusive services respecting religious beliefs, establish sustainable connections with faith communities, inspire best practices, and enhance the experience and belonging of patients, carers, and staff from diverse faith backgrounds.

Initiative: What's in a name

Our 'What's in a Name' phonetic name badge initiative stemmed from our commitment to fostering an inclusive environment celebrating diversity. Inspired by Race Equality Matters' 'MyNameIs' movement, we recognised how mispronouncing or anglicising names can make staff feel disrespected and unable to bring their full authentic selves to work. To address this, we repurposed our 'Hello My Name Is' badges, allowing staff to order free customised ones phonetically spelling out their names – a simple yet impactful way to ensure we properly pronounce names and for patients to do the same, out of respect for their identity and heritage.

Colleagues also recognised that the initiative could support mispronunciation for other reasons such as dyslexia, alongside helping to avoid misgendering. After raising awareness in October 2023 and providing resources and an online education session in January 2024, the campaign launched with an online order form and in-person events during Race Equality Week. By getting names right, we aim to foster a true sense of belonging where all feel valued for their authenticity.

Anti-Racism Strategy

As mentioned in the performance section, the Anti-Racism Strategy was developed due to persistent and unacceptable inequalities faced by our ethnically diverse staff and patients, as evidenced through data such as the Workforce Race Equality Standard and well documented reports. Guided by our values, we have taken an intentional and impactful approach to becoming an anti-racist organisation. It is important that our communities know that 'not being racist, is not enough' to us and that we all need to unite and confront racism and discrimination in all its forms.

Throughout the year, our strategy has led to significant actions, including reviewing disciplinary processes, launching the Prospect Park Hospital Advocacy for Racial Equality Team, engaging with the Equality staff networks, and initiating the Berkshire Healthcare Anti-racism in Healthcare CommUNITY Forum. Executive leadership has overseen progress, with all Executives leading on a different workstream as we acknowledge the need for more action.

Through engagement with our workforce and our communities our strategy was developed and our Anti-Racism Action Statement was created. Next year, we aim to enhance racial literacy, involve communities in scrutinising our efforts, and collaborate on innovative solutions for equitable outcomes. Our steadfast commitment is to dismantle racism and foster an inclusive environment.

Initiative: Diversify your Bookshelf

Our year-long monthly initiative was launched in Black history month, where we recommend thought-provoking books that delve into the myriad facets of the Black experience, from history and activism to art and identity. Our first reading group is the 'Anti-Racism Reading Group' which provides an open session for staff to discuss and support within a virtual environment with one another. We look forward to exploring the potential expansion across other protected characteristics like LGBTQ+, Religion and mental health and learning disabilities.

Initiative: Gypsy Roma Traveller Health Visiting

We launched an initiative to address health disparities and unmet needs through tailored health promotion and opportunistic episodes of care targeted to some of our Gypsy, Traveller, and Roma community in West Berkshire. Our initiatives, such as Making Every Contact Count and the facilitation of bi-monthly drop-ins on the Trust's Health bus, reflect our active innovation in healthcare delivery. Collaborating closely with health partners and children's centres, we aspire to be a comprehensive source of advice and advocacy. Our primary focus is on reducing health inequalities and cultivating a healthier, more empowered community. We particularly aim to improve outcomes for families with children aged 0-5, ensuring that our approach is uniquely tailored to individual needs.

Patient and Carer Race Equality Framework (PCREF)

NHS England has developed a framework to tackle healthcare disparities among various racial groups concerning mental health services. This Patient and carer race equality framework (PCREF) serves as an accountability mechanism, empowering organisations to comprehend and take proactive measures to enhance access, experiences, and outcomes for individuals from diverse ethnic backgrounds. The framework holds local healthcare systems accountable for improving overall outcomes for Black communities and wider ethnic minority groups, placing the perspectives of patients and their carers at the forefront of service-driven quality improvement initiatives. We've setup a multi-disciplined team to co-ordinate and align our approach to our existing Unity Against Racism programme and utilising our newly created Anti-racism CommUNITY Forum.

Resources and Education

As per all NHS organisations, Berkshire Healthcare staff are required to undertake mandatory EDI training, and this is mapped to the UK Core Skills Framework, and staff are required to update on this every 3 years. Our compliance with this as at March 2024 is currently just over 96%.

Webinars and Toolkits

We have added some new resources to our internal learning platform (Nexus Learning), after feedback from LGBTQ+ benchmarking partners and staff feedback surveys. 'Trans Inclusion' eLearning discusses; Terminology associated with gender identity; A brief history of gender identity and covers What it is like to be Trans and Non-binary which was launched in 2023 supporting our staff to more aware and Trans inclusive to colleagues and patients.

Following the success of our virtual events, we have introduced 6 mini webinars in a range of common inclusion topics such as Microaggressions, Banter, Bias, Inclusive Language, Introduction to Neurodiversity and the Equality Act. In addition, we created '12 reflection anti-racism questions and Bitesize Conversation Inclusion Toolkits where staff can access workbook guides to download, and videos to help facilitate activities, conversation and as resource to support our training courses.

A workshop which was attended by around 195 staff was also held to support colleagues to develop health inequalities and anti-racism into their team planning objectives. This space provided the opportunity to discuss and help shape team objectives for 'Plan on a page' for 2024/2025 (Team Action Plan). Colleagues spoke openly about ideas, concerns, potential barriers, and shared reflections. The session, which is still available for colleagues to access via our e-learning platform covered: 'What is health inequality?' 'What is anti-racism?' exploring data, example exercise, Talking Therapy service case study and where to start with taking next steps. This helped socialise our commitments and drive collective involvement of tackling inequalities and becoming an anti-racist

organisation.

Staff Networks and Staff Network Day

The Trust is proud to have five equality staff networks which are:

- Race Equality Network (REN)
- Purple (Learning disabilities, Audio and visual impairments, mental illnesses, and other disabilities) with a sub network - Carers (staff supporting a friend or family member)
- Pride (Lesbian, Gay, Bisexual, Trans and Queer (LGBTQ+)
- Armed Forces (Veterans)
- Women's Network (launched in March 2024, a virtual event celebrating International Women's Day)

Over 100 members of staff joined us to celebrate Staff Network Day in May 2023. The day enabled staff from across the Trust to get together and hear from a variety of speakers and learn about the different staff networks available. Presentations varied from: introductions to all Staff Networks, Reasonable Adjustments, an overview of the Equality, Diversity and Inclusion Plan on the Page, and guest speaker Lauren Blackwood spoke to staff about the importance of conscious inclusion. An open question and answer session with our executive and senior management panel also gave people an opportunity to ask questions, which was recorded and uploaded to Nexus. The day was closed by some inspiring reflections from our Trust Chair, Martin Earwicker

Inclusion courses: Learning and development

Equality, Diversity and Inclusion Trust Induction Session

We have reviewed our Trust corporate induction session and developed an improved Equality, Diversity, and Inclusion (EDI) approach for new starters, so that the content extends to include:

- Key definitions, principles of our approach and the importance of building an inclusive environment.
- How to demonstrate allyship, solidarity and influence decision making
- Exploration of microaggressions, their causes and fostering inclusion.
- Being an upstander by preventing and responding sensitively to conflict and taking an impact centred approach.
- Applying better evidenced outcomes through Equality Impact Assessments.
- Developing a commitment to continuous improvement.

Conscious Inclusion and Cultural Intelligence

We have incorporated two new courses into our new leadership programme called 'Cultural Intelligence' and 'Conscious Inclusion'.

Conscious Inclusion was developed for managers to gain an increased understanding, through open dialogue, of how bias can cause prejudice and discrimination in the workplace, recognise the damaging effects of microaggressions in an inclusive

workplace, how to reflect on being an inclusive leader, the benefits to the organisation and Identify actions they would like to implement within their teams. It focuses on self-education through resources like webinars and videos and has now transitioned to face-to-face delivery due to the positive feedback and accessibility of our staff, and we have trained 107 so far.

Our Cultural Intelligence training is tailored for our staff, focusing is on enhancing staff understanding of diverse cultures, fostering awareness of cultural impacts on relationships, and identifying current levels of cultural intelligence. We have trained 104 colleagues, which will continue online for the rest of the year, aiming to support staff development through self-education and interactive sessions.

Digital Skills Training - Microsoft Accessibility Tool

In February 2024, our digital skills team launched a course for colleagues to learn how to use accessibility tools within the Microsoft Office suite and make content accessible for everyone. This explores tools such as dictate, immersive reader, spelling, and grammar check, translate, live captions, language interpretation in Teams and useful keyboard shortcuts. It also supports best practices for creating accessible content.

The Frimley Mirror Board

We have partnered with the Frimley Health and Care Integrated Care Board to launch a 'Mirror Board' initiative to develop a diverse pipeline of future leaders and bring new perspectives to system decision-making. The Mirror Board has been recruited from across the local authorities, voluntary sector, social care, NHS, and primary care to reflect a range of views and protected characteristic groups.

Over an 18-month programme, these members will engage directly with the Frimley Health and Care Integrated Care Board's agenda items and strategies around implementing the system strategy, finance, governance, and risk management. Their key points will inform the Board's discussions. Members receive mentoring from current Board members, cultural intelligence training, and learning on aspects of Board business. With a commitment of around 11-12 days, this provides members a developmental opportunity to gain executive-level experience in a safe space while promoting diversity of thought to positively influence decision-making across the Frimley system which includes Berkshire Healthcare.

Workforce Information and Reporting

We are proud of being rated 'Outstanding' by the Care Quality Commission, and of our accreditations and we engage with workplace standards benchmarking tools to keep us aligned with best practice and driving continuous improvement in access, outcomes and experience for our staff and patients.

Our Workforce Data

Improving Staff Equality Monitoring Data

Due to the high numbers of medical staff not sharing their protected characteristics as shown by the Workforce Disability Equality Standard (WDES), Workforce Race Equality Standard (WRES), we attended the Medical Staffing Committee to speak with medical colleagues about the importance of sharing their information and how to do it on ESR (electronic staff record system). We gave examples of how this anonymised data has been used and can be used to make positive changes and improve all our working lives. We also took the opportunity to engage with them about our anti-racism work, and how they can get involved and do more to reduce the inequalities that exist for colleagues and patients. We took the opportunity to put in place a new equality monitoring system with the medical staffing team, as this was non-existent.

We made further progress with equality monitoring data by encouraging completion in the Trust corporate induction, through staff network promotion and the staff network sign up process initiated by our Purple Staff Network.

We consistently reference the reason we request data and what we do with it at educational events and on our bitesize webinars. There has also been targeted work at senior level to encourage Board level completion. As a result, we have seen an increase in information shared by staff, indicating improved safety and belonging.

Table 1. Colleagues (not) sharing their equality information on Electronic Staff Records (ESR)

Unknown/not stated data	2024	2022	Diff
Age	0%	0%	0
Gender	0%	0%	0
Ethnicity	2.3%	3.1%	+0.8
Disability	7.5%	9.1%	+1.6
Religion	14.7%	16.1%	+1.4
Sexual orientation	9.5%	11.2%	+1.7
Total data opportunities *(headcount x by the 6 protected characteristics)*		31,314	
Not stated		1779	
Data quality		94.3%	

EDI Dashboard

The Trust recognises the importance and benefits of a diverse workforce, and is committed to creating an inclusive, accessible, and fair workplace for all staff. We value the contribution of all staff and recognise that diversity of experience, skills and knowledge supports the delivery of the best possible services.

We have recently developed an EDI dashboard as an addition to our existing People Dashboard in our tableau software, to better support local divisional race equality action planning with: Overall workforce, Contract type - fixed term/permanent, Work pattern - full time/part time, Band (Pay), Retention, Turnover, Starters & Leavers, and Sickness. Further development is ongoing to capture recruitment, temporary NHS Professional staff, and training. Health inequality dashboards with population health inequality data, and patient experience data by equality are newly available.

Table 2 - Trust's workforce by protected characteristic last 12 months

	March 2022		March 2023		March 2024	
	%	**Staff**	**%**	**Staff**	**%**	Staff
Total		***(4,780)***		***(4,968)***		*(5,219)*
Age						
16 – 25 years	5.9%	283	6.3%	311	5.7%	300
26 – 35 years	22.4%	1071	22.0%	1,093	22.7%	1187
36 – 45 years	25.7%	1,228	26.2%	1,300	25.7%	1343
46 – 55 years	27.2%	1,298	26.6%	1,320	25.6%	1335
56 – 65 years	16.7%	797	16.8%	834	17.8%	929
66 plus years	2.2%	103	2.2%	110	2.4%	125
Ethnicity						
White	69.4%	3318	68.8%	3420	67.6%	3530
Mixed	2.8%	134	2.9%	144	3.0%	158
Asian	12.4%	591	13.8%	688	14.1%	738
Black	10.1%	484	10.0%	495	11.2%	584
'Other' Ethnic Group	2.2%	103	1.7%	84	1.6%	85
Not specified	3.1%	150	2.8%	137	2.4%	124
Gender						
Women	83.4%	3,986	83.3%	4,136	83.0%	4332
Men	16.6%	794	16.7 %	832	17.0%	887
Not specified	0	0	0	0	0	0
Disability						
Disabled staff	5.3%	255	6.4%	318	7.2%	378
Not specified	9.1%	437	8.2%	411	7.5%	389
Religion						
Christian	48.2%	2,302	47.3%	2,351	47.2%	2,464
Atheist	15.9%	758	16.7%	831	17.5%	911
Islam	4.5%	214	4.6%	229	4.8%	248
Hindu	3.4%	164	3.6%	180	3.7%	195
Other	12.0%	574	11.9%	591	12.1%	632
Not Stated	16.1%	768	15.8%	786	14.7%	769
Sexual Orientation						
LGBQ+	3.3%	158	3.6%	178	4.1%	212
Heterosexual	85.8%	4,009	86.0%	4,273	86.4%	4,509
Not Stated	11.2%	523	10.4%	517	9.5%	498

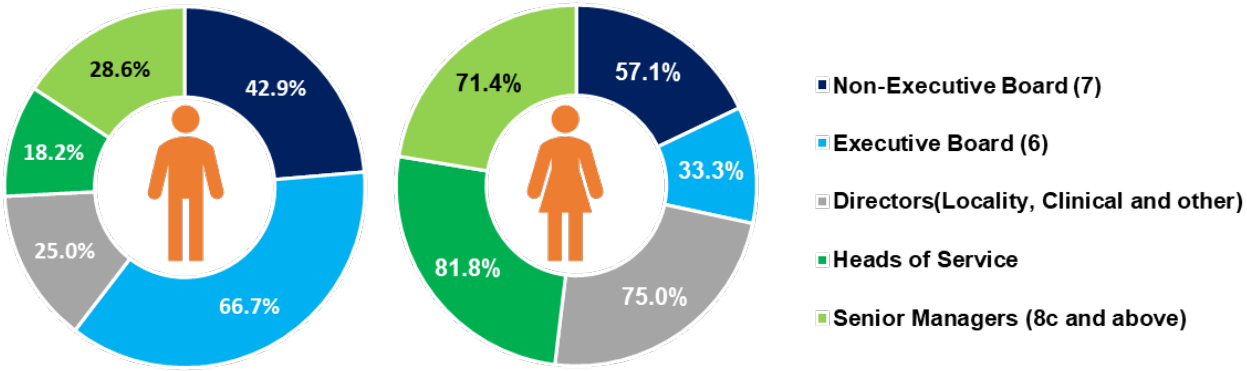
Key highlights:

- 83% women and 17% men in workforce.
- 67.6% white, 30% ethnically diverse and 2.4% not specified their ethnicity.
- 7.2% declared disabled, 7.5% not specified.
- 4.1% LGBQ+, 86.3% heterosexual and 9.5% have not stated their sexual orientation.
- 10% of 8c+ senior managers are ethnically diverse

Table 3. Senior Managers / Leaders (as of March 2024)

	Gender				Ethnicity					
	Male	No.	Female	No.	White	No.	Ethnic. diverse	No.	Undisc.	No.
Non-Executive Board (7)	42.9%	3	57.1%	4	71.4%	5	14.3%	1	14.3%	1
Exec. Board (6)	66.7%	4	33.3%	2	66.7%	4	33.3%	2	0.0%	0
Directors (Locality, Clinical and other)	25.0%	4	75.0%	12	81.3%	13	12.5%	2	6.3%	1
Heads of Service	18.2%	4	81.8%	18	72.7%	16	22.7%	5	4.5%	1
Senior Managers (8c and above)	28.6%	28	71.4%	70	86.7%	85	10.2%	10	3.1%	3
BHFT staff (total headcount)	17.0%	887	83.0%	4332	67.6%	3530	30.0%	1565	2.4%	124

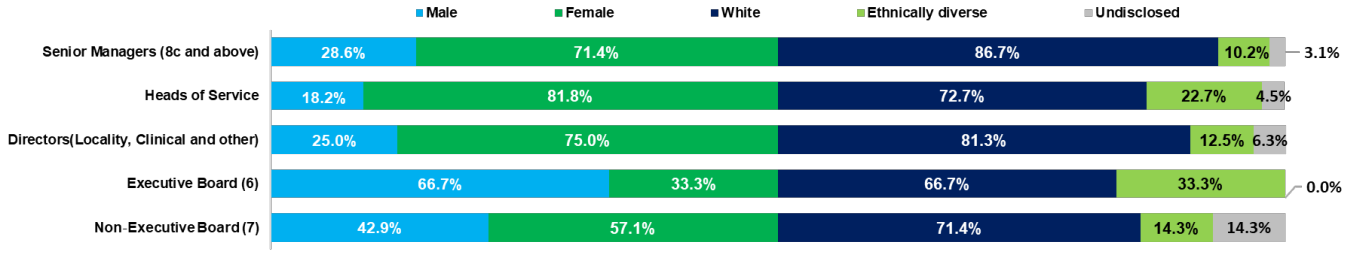
Figure 1. Gender and Ethnicity Distribution for Senior Leaders



This represents the ethnicity distribution across the Trust, where each segment represents the proportion of white and ethnically diverse colleagues, giving insights into

the diversity representation at different levels.

Figure 2. Gender Distribution across Senior Manager/Leader Positions



This shows the gender balance of male and female staff across the highlighted positions within the Trust.

Looking Ahead:

- Continuation of efforts to enhance inclusivity in recruitment and onboarding.
- Development of actions to improve the experience of minoritised colleagues through a reasonable adjustment quality improvement project.
- Ongoing provision of education and engagement opportunities to emphasize the importance of inclusion and collective action.
- Collaboration with staff networks to implement needs-based interventions and action plans aligned with Workforce Disability Equality Standard (WDES) and Workforce Race Equality Standard (WRES).
- Development of an Equality, Diversity, and Inclusion dashboard for staff to facilitate localised action planning and improvements at a team level.
- Acknowledging the drawbacks of the term Black, Asian and Minority Ethnic' (BAME)' which conceals ethnic disparities and inadvertently excludes minorities. Hence, we pledge to use 'ethnically diverse' or 'global majority' in our Equality, Diversity, and Inclusion efforts.

Workplace Race Equality Standard (WRES)

We can see an improvement in most indicators in our report for 2023. One indicator stayed the same, which is ethnically diverse staff experiencing harassment, bullying and hate from patients, relatives, or the public. One indicator declined which is the likelihood of accessing non-mandatory training and continuous professional development. The focus to improve this has been through our new Violence Prevention and Reduction Working Group, and a bullying and harassment subgroup has been developed to focus on specific action needed. Our Clinical Education team are disaggregating data to better understand causes and target interventions for ethnically diverse colleagues. We signed the Sexual Safety Charter and are developing subsequent actions. The WRES report is available on the Trust's website.

Workplace Disability Equality Standard (WDES)

The report highlights a positive increase in the number of disabled colleagues, reaching

6.41% representation compared to 5% the previous year. However, it also identifies areas of concern, such as a significant portion of the workforce (8.18%) not declaring their disability status. Despite improvements in most indicators, one concerning trend is the rise in pressure felt by disabled colleagues from managers to work while unwell, indicating a need for continued efforts to enhance workplace equality.

Moving forward, the Trust emphasises the importance of ongoing collaboration with the Purple Network and the need for co-production to further enhance the experiences of disabled colleagues. By leveraging data insights from the WDES and engaging in proactive measures, the organisation aims to foster a more inclusive workplace environment, ensuring continued progress towards reducing inequality and promoting diversity within its workforce. The full report is available under the links below.

Stonewall Workplace Equality Index (WEI)

The Workplace Equality Index (WEI) acknowledges endeavours toward creating LGBT+ inclusive workplaces, fostering a safe and welcoming environment where individuals feel free to express themselves. Throughout 2023, we maintained our membership while achieving a higher WEI score compared to previous years. Recognising the need for substantial improvement in LGBTQ+ inclusive policies, practices, and engagement, we made the strategic decision to submit bi-annually rather than annually. Key areas of focus included deeper engagement with allies, LGBTQ+ colleagues, and patients, as well as targeted support for underrepresented groups such as bi, trans, and non-binary individuals. Additionally, efforts are directed towards enhancing visible senior leadership commitment, increasing participation in staff networks, addressing workplace discrimination concerns, and providing more learning opportunities about LGBTQ+ identities and experiences.

NHS Equality, Diversity and Inclusion (EDI) Improvement Plan, and the Equality Delivery System (EDS)

The NHS EDI Improvement plan was published in June 2023 which sets out 6 high impact targeted actions to address the prejudice and discrimination that exists through behaviour, policies, practices and cultures across the whole NHS. Using our various legal and benchmarking reports, we were able to publish our own response to the EDI Plan, outlining our collective actions against the success metrics laid out for all NHS organisations.

This also prepares us for the best practice we demonstrate with the Equality Delivery System (EDS) in mind. A system that helps NHS organisations improve the services they provide for their local communities and provide better working environments, free of discrimination, for those who work in the NHS, while meeting the requirements of the Equality Act 2010. The EDS was developed by the NHS, for the NHS, taking inspiration

from existing work and good practice. We mapped recommendations against our existing activity to assess gaps and improve standards where we feel there are opportunities to do this. As part of our EDI strategy refresh this year our EDS objectives will also be refreshed.

We are integrating health inequality and anti-racism objectives into our Plan on a Page and team plans for 2024/25. Key areas include improving data collection, addressing referral disparities, reducing missed appointments, and enhancing ethnic diversity in higher paid bands. We will leverage case studies, slides, and insights from Talking Therapies to inform our strategies.

Emergency Preparedness, Resilience and Response

In line with its statutory obligations under the Civil Contingencies Act 2004, the Trust has arrangements in place for EPRR (Emergency Preparedness, Resilience and Response). We undertake emergency planning activity in collaboration with healthcare partners, local authorities and other emergency services. This work is undertaken through participation in regional and local forums such as the Thames Valley Local Health Resilience Partnership and the Berkshire Resilience Group.

The development and improvement of the Trust's incident response arrangements is overseen by the EPRR Governance Group. This Group reports to the Executive Non-Clinical Risk Management Committee, chaired by the Deputy Chief Executive.

Training

- A Training Needs Analysis (TNA) identifies the EPRR training needs for roles at various levels across the Trust. Training delivered in 2023 included:
- Strategic and Tactical Command training for all operational on-call directors
- Media training for on-call Executives (managed by the Marketing and Communication Team)
- Chemical, Biological, Radiological, Nuclear and Explosives (CBRNe) Lockdown

Exercises and testing

Participation in exercises is an important part of training and learning. A number of internal exercises were delivered during 2023 and early 2024; additionally, various events and incidents through the year have provided opportunities to test business continuity and other plans. Examples include:

- **Operation Golden Orb (May 2023)** - live event (days prior to and day of coronation of HM King Charles III) requiring invocation of the Trust's Operation Bridge Plan
- **Exercise Flamingo Silk (May 2023)** – national/regional exercise to test incident notification cascades and processes

- **Exercise Hiertan (June 2023)** – NHS Southeast Regional exercise to test hospital evacuation scenario
- **Exercise El Nino (August 2023)** – internal exercise with ISS facilities team at Prospect Park Hospital
- **Water leak (September 2023)** - live incident affecting Wokingham Hospital
- **Lockdown exercise (October 2023)** – internal exercise with Bellrock facilities team at West Berkshire Community Hospital
- **Section 12 Critical incident (November 2023)** – live event affecting Trust's ability to carry out Mental Health assessments
- **Exercise: Jubilee Ward (November 2023)** – tabletop exercise to test evacuation & shelter response and fire plans
- **Thames Water supply failure (January 2024)** - live incident affecting Prospect Park Hospital, Bath Road offices and Little Dragons Nursery
- **Industrial action (July/August/December 2023 and January 2024)** – multiple incidences of strike action by BMA (British Medical Association) junior doctors and consultants
- **Post-incident debrief outcomes (lessons identified and shared learning)** are reported to the EPRR Governance Group and cascaded via senior managers.

Assurance

All NHS organisations and providers of NHS-funded care in England are assessed annually against the NHS Core Standards for Emergency Preparedness, Resilience and Response (published by NHS England). An Accountable Emergency Officer in each organisation is responsible for making sure these standards are met. For Berkshire Healthcare, the Chief Operating Officer is the designated Accountable Emergency Officer.

The assurance process requires provider organisations to undertake a self-assessment and rate their compliance against those core standards which are relevant to their organisation type. The overall EPRR assurance rating is based on the percentage of core standards the organisation assesses itself as being 'fully compliant' with; this compliance rating is subject to scrutiny and ratification by the Integrated Care Board. Once ratified, provider organisations are required to share this information via a public Trust Board meeting and to publish it in their Annual Report.

For assurance purposes in 2023-24, in October 2023, the Trust was assessed as partially compliant overall (fully compliant with 49 of the 58 core standards applicable to community and mental health Trusts). Work is ongoing to address the outstanding issues; since the formal assessment we have been able to increase the number of our fully compliant standards from 49 to 55 (at the time of writing). This would determine the Trust to be substantially compliant.

NHS England - EPRR Assurance Compliance Levels

To support a standardised approach to assessing an organisation's overall preparedness rating, NHS England has set the following criteria:

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

Forward look for 2024-25

Training and exercising activity planning for 2024 includes:

- Chemical, Biological, Radiological, Nuclear and Explosives (CBRNe)
- Shelter/evacuation (following on from the 'deep dive' of 2022-23)

The EPRR team will continue 'horizon scanning' and maintaining the EPRR Risk Register (which is influenced by the National and Community Risk Registers), to support the Trust in its anticipation of, and response to, events and incidents which might affect delivery of essential services.

Sustainability and Climate Change

Through the Climate Change Act (2008), the UK has a legal duty to achieve net zero emissions by 2050. The NHS 'Delivering a "Net Zero" National Health Service' (2020) plots progress and interventions needed to respond to climate change and achieve a net zero health service. On 1 July 2022, the NHS became the first health system to embed net zero into legislation, through the Health and Care Act 2022. NHS England has set two major targets to meet this commitment:

- For the emissions we control directly (the NHS Carbon Footprint), we will reach net zero by 2040, with an ambition to reach an 80% reduction by 2028 to 2032.
- For the emissions we can influence (NHS Carbon Footprint Plus), we will reach net zero by 2045, with an ambition to reach an 80% reduction by 2036 to 2039.

Beyond legal mandates, there is the undeniable human case for change. Climate change has profound and wide-ranging effects on both physical and mental health. As global temperatures rise and extreme weather events become more frequent, there are direct health impacts such as heat-related illnesses, respiratory problems due to worsening air quality, and the spread of infectious diseases. Added to this is rising resource and energy insecurity and widening inequalities that are exacerbated by climate change. On the other hand, we know that healthy environments lead to healthier, happier, better-

quality lives, and greater resilience.

Fewer cases of disease improved mental health, shorter hospital stays, reduced health inequalities and a lower care burden are just some of the benefits that can be enjoyed from cleaner environments. Together, these challenges, opportunities and duties drive our dedication and commitment towards a greener, more sustainable future that benefits our health and that of the environment.

Berkshire Healthcare's Green Plan

Our strategic blueprint, 'Net Zero 'n' Green, 2022-2025,' serves as our practical guide outlining specific and measurable goals towards a net zero future. Our first-ever Green Plan, the strategy focuses on areas we have direct control over, and the potential for long-term change.

It is centred around five key areas that will help us achieve our overarching green vision: cut carbon, reduce pollution, enhance well-being, achieve financial efficiency, and bolster our environmental reputation. The infographic below summarises our 2022-25 Green Plan and our major action areas.

Here we report progress on our Green Plan and outline future initiatives that will help us towards our net zero and sustainability objectives. The report focuses on progress,

actions and initiatives at core Berkshire Healthcare managed sites, although some updates are also provided for our sites that are managed by NHS Property Services (NHS PS). We will shortly be commencing with the development of the strategic plan 'Net Zero 'n' Green, 2025 – 2028', building on current progress.

Task force on climate-related disclosures (TCFD)

NHS England's NHS foundation trust annual reporting manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures as interpreted and adapted for the public sector by the HM Treasury TCFD aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England. The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24. These disclosures are provided below.

Governance

Our Chief Financial Officer is the Board-level Executive responsible for the Trust's net zero and sustainability agenda. The Trust's Green Plan was endorsed by the Trust Board and published in 2022 and will be updated in the coming year. This document sets out the key actions the Trust plans to undertake in achieving our net zero ambitions.

The Green Group, chaired by the Chief Financial Officer, agrees and monitors all sustainability activities across the Trust that contribute to the delivery of the Trusts Green Plan. This group also considers risks and opportunities relating to climate change as and when they arise, including reviewing external funding opportunities.

The Green Group reports to the Business, Finance and Strategy Executive Committee, which is chaired by the Chief Executive. Progress against the Green Plan is reported quarterly to this meeting. The minutes from this meeting are reviewed in the Finance, Investment and Performance Board sub-committee.

The Sustainability Manager reports on the Green Plan's progress bi-annually to the Trust Board, updating how we are meeting our reporting requirements as specified by NHS England and our local Integrated Care Boards.

In 2023, we refreshed our strategic ambitions including key performance targets. A 13% annual reduction in CO2 consumption was set as a strategic target and this is monitored quarterly by the Trust Board.

Our corporate risk register has been updated to include a new risk around

environmental sustainability. Our on-going mitigations against that risk are reviewed at our Business, Finance and Strategy Executive Committee, Finance, Investment and Performance Board sub-committee and Audit Committee.

We continue to embed consideration of sustainability within our internal processes and environmental impact assessments are incorporated into all capital business cases.

Our carbon footprint

Since our pre-COVID-19 baseline year (2018/19), our Trust has reduced its carbon footprint by approximately 5% a year. Our Trust's direct carbon footprint for the 2023/24 financial year was 4,515 tonnes of CO2, down from 4,728 tonnes the previous year.

Our ongoing reduction is attributable to a combination of Trust initiatives and external factors, which includes but is not limited to:

- Flexible working patterns resulting in a greater proportion of staff working from home, reducing mileage and energy consumption
- Digital care delivery also reducing staff mileage
- Decarbonisation of the grid
- Energy efficiency measures such as LED lighting
- Reduced transport emissions from transitioning estates vehicles to electric
- Reduction in waste generation

We only purchase 100% renewable energy of guaranteed origin (REGO), and future energy contracts will stipulate this requirement. However, we include emissions from our electricity consumption in our carbon calculations as it is not produced on site (location-based reporting).

Overall natural gas consumption rose, and electricity marginally increased. However, this was complimented by national decarbonisation of the electricity supply making each unit of electricity less carbon intensive for the user.

Berkshire Healthcare Foundation Trust has been taking proactive measures to reduce our carbon footprint; unfortunately, these are not yet being delivered at the scale needed to meet our carbon budget. Our overarching ambition to be net zero by 2038 is still considered achievable. We have a number of carbon cutting initiatives in the pipeline, alongside early exploration of other key programmes, which have the potential to substantially reduce our emissions over the next eight years and would therefore mean we reach our target. These include:

- Achieving a minimum of 10% carbon reduction as a result of our decarbonisation plans and energy audits (see 'Energy and resources' section, below)

- Implementation of key solar proposals
- Development and implementation of a Green Travel Plan (see section 'Travel and Transport' below
- Replacing fossil fuel boilers with heat pumps at one of our largest sites, West Berkshire Community Hospital.

Our current greenhouse gas accounting spans the NHS Carbon Footprint and excludes our supply chain, which we know makes up the majority of our emissions. We are therefore exploring different ways to account for our procurement-related emissions under the NHS Carbon Footprint Plus, which will form part of our refreshed Green Plan in 2025.

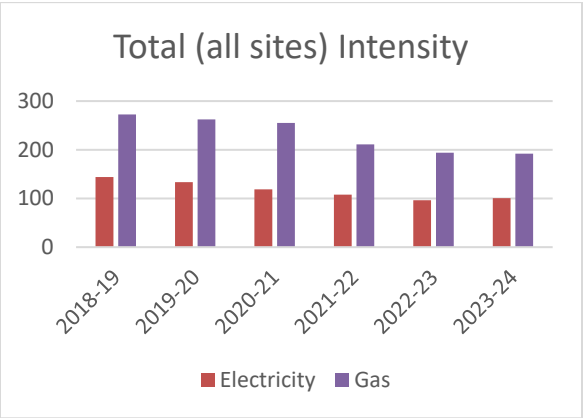
Note that as per the Greenhouse Gas Protocol, we do not report emissions from anaesthetic gases, fugitive emissions, and diesel for generators as these have been determined to account for <1% of our total emissions.

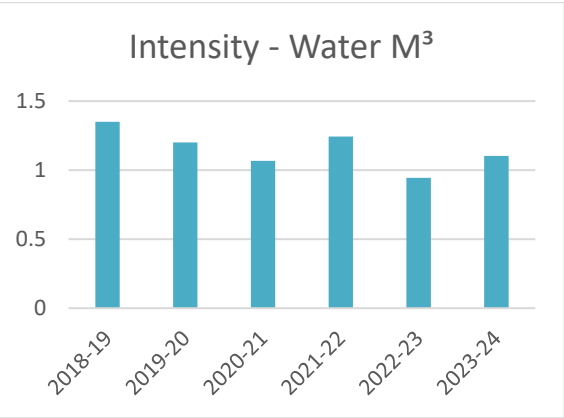
Energy and resources

In 2023/24, Berkshire Healthcare spent £2.3m on utilities, in comparison to £1.9m in 2022/23. This is an increase of 18.4%.

The consumption of utilities has increased by Electricity 1.51%, Gas 2.3% and Water 17.21%, compared to 2022/23.

Since 28/2019 there has been a 2.6% reduction in the Trust consumption of Electricity and Gas, the Trust's total Gross Internal Area has risen by 28% in that timeframe. 'Intensity' is the total consumption divided by our Gross Internal Area (GIA).





Utilities price rises year-on-year has created a strain on financial resources. Water shortages and crises affecting fossil fuel supply also result in price volatility and could affect utility provision, placing further strains on Trust finances and care/operational services. Working towards less reliance on fossil fuels energy will assist the Trust to have a greater control of utility related costs.

Decarbonising our buildings

We have successfully secured over £2.6 million in funding through the Public Sector Decarbonisation Scheme to replace fossil fuel (gas) heating at one of our largest sites, West Berkshire Community Hospital, with efficient and green air source heat pumps and water source heat pumps. This will reduce around 350 tonnes of carbon emissions every year while also providing energy security and future resilience against price shocks and volatility.

Further decarbonisation plans and energy audits have been completed at 13 of our core Berkshire Healthcare sites, totalling approximately 36,364 square metres. The findings of these are being used to enable the development of a detailed plan for the Trust that ensures the reduction of carbon emissions, efficient energy use, and a transition away from fossil fuels, whilst also identifying routes that will help ensure the Trust meets its NHS target of reducing its carbon footprint by 80% by 2030-2032. The recommendations from the plans and audits will feed into the implementation of the refreshed Estates Strategy (see section 'Estates' below) and enable us to prioritise capital planning in the coming years.

Investing in clean energy

We have installed solar panels on two of our major sites, Church Hill House and Erlegh House, boosting our resilience through greater energy security whilst cutting costs and carbon. These two projects alone will reduce our carbon footprint by over 30 tonnes per year. We also commissioned a feasibility study to explore the possibility of a major installation at one of our PFI sites, West Berkshire Community Hospital. We are now examining further opportunities for installation across our Estate, including taking forward the recommendations from the feasibility study, which would lead to hundreds of tonnes of carbon removed every year.

Efficient lighting

We have initiated an LED upgrade project to achieve full coverage across 12 of our core Berkshire Healthcare sites, improving energy efficiency while cutting carbon. Additionally, upgrades are planned and continuing across sites managed by NHS Property Services.

Saving water

Our Estates team have piloted water-saving Propel Air toilets at one of our sites, which use over 80% less water compared to traditional loos, or 4.5 fewer litres per flush. In just 3 weeks, installing 5 loos saved 11576.25 litres of water. Pending a successful final evaluation, we plan to install more across our facilities, with the potential to further reduce our water consumption substantially.

Travel and transport

Following energy consumption for utilities, travel represents the second-largest source of emissions for our Trust. Recognising the detrimental health effects of pollution from fossil fuel vehicles, addressing travel emissions presents a significant opportunity for

positive change. We are therefore prioritising action in this area, aligning with the guidance outlined in the NHS England net zero travel and transport strategy.

Overall business mileage recorded by the Trust for 2023-2024 is 2,556,499, this represents an increase of 166,939 miles, when compared with 2022-23 business mileage. This is an increase of 6.5%.

Business miles in 2023/24 equate to 624,360Kg CO2e emissions in comparison to 630,249 Kg CO2e emissions in 2022/23, which is a decrease in emissions of 1%, whilst this alone is a nominal reduction, business mileage has increased.

Since the baseline year 2018/19 there has been a 39% reduction in CO2e, whilst only a 27% reduction in business miles.

The proportional percentage difference between carbon emissions and increase mileage, can be accounted for by the greater use of Electric and hybrids vehicles by the Trust.

Travel and Transport Review

To effectively address our travel emissions, we have undertaken a comprehensive transport review in collaboration with the Energy Saving Trust. This not only evaluated our travel activities, facilities and carbon footprint but also baselined staff commuting patterns through our inaugural staff travel survey. The findings have unveiled key opportunities for transitioning to lower carbon transport options. This includes recommendations on fleet best practices and policies, which will inform the development of our sustainable travel and transport strategy, for completion by 2026.

Supporting Electric Vehicle (EV) Transition

Committed to supporting the necessary shift towards electric vehicles, we continue to expand our EV charging infrastructure and fleet. Our Trust has now installed 36 charging points across 8 sites, with the recent addition of 2 rapid chargers at London House. Our Estates fleet has also replaced 6 out of 7 fossil fuel vehicles with EVs. Looking ahead, our focus remains on accessibility and adoption, with plans to further augment our charging network in the coming years. Additionally, we are exploring the introduction of EV pool cars for staff use, a measure aimed at curbing local emissions and mitigating our impact on public health.

Waste

Waste reduction is a strategic imperative due to both environmental sustainability and fiscal responsibility. By reducing waste, we actively contribute to lowering our carbon footprint, while reducing resource consumption and environmental contamination, aligning with our green goals. A revised Document Health Technical Memorandum (07-02) ‘Safe and Sustainable Management of Healthcare Waste’, maintains the high level of technical robustness of previous versions but also integrates concepts related to sustainable waste management, the circular economy and links to strategic objectives.

This guidance will help to inform waste reduction strategy.

Since data collection began in 2017, Trust general waste has reduced by approximately 4 % per annum. This means that the Trust has not met its Green Plan target of reducing general waste by 10% by 2023/24, therefore requiring a renewed strategy and efforts. The Trust commissioned a waste management audit which will identify issues and opportunities in this area and will further underpin strategy development.

- Clinical waste produced by the Trust has seen a similar result as last year; 163.96 tonnes last year, opposed to 164.63 tonnes this year
- General and recycling waste is down an average of 15%, whilst food recycling waste has increased by 50%

Switching to reusables

In January 2024, we launched a trial of reusable tourniquets across our phlebotomy, high tech care and urgent community response teams. The DaisyGrip device can be easily disinfected and is designed to replace single-use tourniquets without changing treatment procedures, reducing waste while improving infection control and thereby reducing costs. Pending a successful evaluation, we will then look to replacing disposable tourniquets with this reusable solution across our Trust. Summary of the Evaluation:

- Annualised total Single Use Tourniquets Used – 78,690
- Annualised total DaisyGrip used - 10 (Daisygrip estimated usages each – 10,000)
- Amount of product saved – 78,473
- Total weight of product saved from landfill – 1173.35 kgs
- Saving on Main Product – £12,268.93

Insulin pen recycling

Our Trust has introduced an insulin pen recycling scheme with Novo Nordisk, potentially preventing hundreds of plastic pens going to landfill and contaminating the environment every year. The scheme provides patients with information leaflets and free-post boxes to return their pens to the manufacturer where they are deconstructed and recycled. This has been rolled out across our Pharmacy and Community Diabetes teams.

Reducing glove waste

In October 2022, our Trust launched a glove reduction initiative, which is ongoing. The approach focused on raising staff awareness regarding the proper use of non-sterile gloves through various methods. The goal of this project was to enhance compliance with hand hygiene protocols at the point of use, thereby reducing contamination and the spread of infections. Additionally, it aimed to improve staff skin health, minimise waste, promote sustainability, and lower costs. A review at 12 months post-implementation showed a significant reduction in glove usage, amounting to over a

million gloves, and a cost savings of £60,000. This initiative is now being expanded to our community services.

People

We recognise the vital role our people play in driving positive change and action for a sustainable future. Through various initiatives, we are empowering our staff to be catalysts for progress.

Net Zero Heroes Network

We have established a dynamic network of 'Net Zero Heroes' – passionate green champions across our sites. Our 30-strong and growing group convenes monthly to explore different topics like waste reduction and energy efficiency, brainstorming ideas for new initiatives to foster momentum and ensure engagement in sustainable practices throughout the Trust.

Education Initiatives

We have introduced a 30-minute module, 'Building a Net Zero NHS,' accessible to all through Nexus (staff intranet) so that our staff can upskill on sustainability without placing a major burden on their time. Additionally, we have trained almost 50 staff members in Carbon Literacy across various departments, including Estates and Facilities, with more to come. This training not only enhances individual awareness but also translates to significant carbon savings, estimated between 5-15% per trained individual.

Raising Awareness

We are increasingly working with our marketing and communications team to help educate and inform both our staff and community about green issues and actions, for example by improving our staff intranet and Trust website content and regularly sharing updates and tips for more sustainable practices. Furthermore, we have introduced a quarterly green newsletter that serves as a platform to update staff on our progress and foster ongoing dialogue. A dedicated session on sustainability is also now included in our Trust Corporate Induction Programme, covering topics relevant for all staff including energy, waste and transport.

Staff Sustainability Survey

We launched a comprehensive sustainability survey to gain insights into the thoughts and opinions of our staff on our current practices. This highlighted the need for more varied methods of communication beyond digital to reach staff, with almost half of staff reporting that they do not feel they have adequate information and support to make greener changes. Although encouragingly most staff felt that sustainability should be a priority for the Trust (89% agreement), with waste, transport, engagement and energy commonly cited as areas staff felt should be the focus of sustainability efforts. We will be using the insights gleaned to launch new initiatives and efforts to address people's feedback.

Climate change and mental health

In recognition of the interconnectedness between climate change and mental health, we are committed to providing support for our staff as we navigate the climate and ecological emergencies. These crises are known to have adverse effects on mental well-being. As part of our efforts, we have initiated informal climate cafes, offering a safe, supportive, and non-judgmental environment for staff to gather. Here, they can freely share their thoughts and feelings about climate change and connect with others who share their concerns.

Estate

Our estate is our Trust's largest source of direct emissions – it is therefore the most significant opportunity to cut carbon in line with current net zero legislation. Doing so brings greater resilience for the Trust, reduces our direct impact on public health, and safeguards future generations.

Strategy and planning

Sustainability is an integral part of Berkshire Healthcare's upcoming refreshed Estates Strategy, outlining actionable steps and recommendations across four key priority areas: Buildings, Travel, Waste, and Green Spaces.

Embedding Sustainability into Decision-Making

We have developed and are currently implementing a Sustainability Impact Assessment for all capital projects. By assessing their potential contributions to a range of sustainability metrics prior to implementation, it will be possible to proactively manage and mitigate the environmental impact of capital projects and allow informed decision-making that not only considers the immediate benefits of the projects but also considers their long-term sustainability. We are now looking to expand this for all major projects at the Trust. Similarly, we have introduced a sustainability checklist for assessing potential new properties so that environmental credentials can add weight to the decision-making process, reducing the risks associated with procuring inefficient buildings that will require costly retrofitting.

Expanding Tree Coverage

As part of our efforts to improve environmental quality, we have planted 65 trees across three sites. This initiative not only reduces air and noise pollution but also provides benefits such as temperature regulation, flood protection, and creating habitats for wildlife. We remain dedicated to expanding our tree planting initiatives in the future.

Enhancing Biodiversity

Recognising the crucial role of biodiversity in both environmental and human health, we are commissioning a pilot biodiversity survey at West Berkshire Community Hospital. This survey will serve as a foundation for developing our own biodiversity strategy, ensuring that we actively contribute to preserving local ecosystems.

Nature for Wellbeing

Green spaces are vital for both nature and human wellbeing. We have recently installed new sensory gardens at Wokingham Hospital and Church Hill House, providing quiet green spaces for relaxation and rejuvenation. These spaces not only benefit individuals but also nurture local wildlife and biodiversity.
The project at Church Hill House was developed in collaboration with the Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust and in close consultation with staff, ensuring meaningful engagement and the creation of spaces that enhance wildlife habitats, including for resident swifts, house martins, bats, and hedgehogs.

Our year ahead
In the coming year, Berkshire Healthcare will focus on practical steps to advance our sustainability agenda, while aligning with our commitment to providing quality healthcare services.

We will implement a Sustainable Estates Strategy, as part of the new wider Estates Strategy, which will identify and implement opportunities to cut consumption, costs, and carbon across our sites, focussing on four key areas: buildings, travel, waste, and green spaces. We will execute recommendations from our upcoming decarbonisation plans and energy audits, building a multi-year roadmap to reduce consumption and minimise emissions. This includes exploring opportunities for renewable energy production, such as solar panel installation. We will also implement actions and recommendations derived from our waste audit report so that we can continue to reduce waste production and thereby pollution.

In response to our upcoming travel review, we will develop a sustainable travel and transport strategy, prioritising accessibility and sustainable alternatives to fossil fuels. This will include ongoing expansion of our electric vehicle (EV) charging infrastructure. Looking forward, we will expand our action into other areas that are essential for a healthy environment, including developing plans for clean air, adaptation, and biodiversity.

Julian Emms

Chief Executive
19 June 2024

ACCOUNTABILITY REPORT

Directors' Report

The Trust Board comprises five Executive Directors and six Non-Executive Directors, plus the Chair and Chief Executive of the Trust. The Chair and the Non-Executive Directors are appointed for three-year terms of office by the Council of Governors. To ensure a strong shortlist of candidates for Non-Executive Director appointments, the Trust engages the support of External Recruitment Consultants. At the end of the first three-year term of office, the Council of Governors can re-appoint the Chair and the Non-Executive Directors for a further three-year term of office. The Council of Governors can also remove the Chair and Non-Executive Directors.

Up until December 2016, formal meetings of the Trust Board were held every month (except August). Following the Trust Board's evaluation of its effectiveness in October 2016, it was agreed that the Trust Board needed more time to discuss strategic issues and therefore from January 2017, the formal public Trust Board meets seven times a year and holds four private discursive meetings. The schedule of meetings was reviewed again as part of the Trust Board's Annual Review of Effectiveness in October 2023. The Trust Board agreed to increase the amount of time to discuss strategic issues by holding an additional Trust Board Discursive meeting (five discursive meetings) and reducing the number of public board meetings from seven to six per annum. An additional meeting is scheduled in August if required.

At the formal public Trust Board meetings, no business can be conducted unless at least one third of Directors are present, including at least one Executive Director and one Non-Executive Director. From May 2020, our public Trust Board meetings have been held via MS Teams. A recording of the full meeting is published on the Trust's website along with the Trust Board agenda and papers. Members of the Public can request to attend and observe the meeting in real time. Members of the Public are also invited to submit questions to the Trust Board before the meetings. The questions are answered by the relevant Executive Director at the meeting and the full responses are included as part of the meeting minutes.

The Trust Board is responsible for:

- the exercise of the powers and the performance of the NHS Foundation Trust
- setting strategy, following discussion with the Council of Governors
- ensuring the provision of safe, high-quality services
- ensuring the highest level of corporate governance
- ensuring that the Trust operates an effective process for the management and mitigation of risk.

The Non-Executive Directors are 'held to account' for the performance of the Trust

Board by the Council of Governors. The Trust Board meets formally with the Council twice a year and Governors normally meet Non-Executive Directors on a further two occasions each year. Executive Directors routinely attend Council of Governor meetings and the Chief Executive presents to Council a quarterly performance report covering key aspects of the Trust's performance, both financial and service related.

The Council of Governors was mindful that the NHS was moving into a period of significant legislative change when the Integrated Care Systems were put on a legal footing. As the Trust was split between two different Integrated Care Systems, the need for a strong chair and stable board was even more important during the next couple of years. The Council of Governors therefore agreed in September 2021 to extend the term of office of the Trust Chair for a further three years upon the expiry of his current term of office, subject to the outcome of satisfactory annual appraisals.

The Council of Governors in June 2023 agreed to appoint Rebecca Burford as a Non-Executive Director for a three-year term and agreed to extend Naomi Coxwell's term of office for a further year upon the expiry of her current term of office.

March 2024, the Council of Governors agreed to extend the term of office of Mark Day, Non-Executive Director for a further one year upon the expiry of his current term of office and agreed to re-appoint Rajiv Gatha, Non-Executive Director for a second term of office.

Directors in post during 2023-24 are shown in the following table:

Name	Position	From	To
Martin Earwicker	Chair (Non-Executive Director)	01.12.16	30.11.25
Rebecca Burford	Non-Executive Director	01.07.23	30.06.26
Naomi Coxwell	Non-Executive Director	13.12.17	12.12.24
Mark Day	Non-Executive Director	01.09.16	31.08.24
Aileen Feeney	Non-Executive Director	01.11.19	31.10.25
Rajiv Gatha	Non-Executive Director	01.10.21	30.10.24
Sally Glen	Non-Executive Director	01.06.22	31.05.25
Mehmuda Mian	Non-Executive Director	01.06.15	30.06.23
Julian Emms	Chief Executive	01.03.05	N/A
Debbie Fulton	Director of Nursing and Therapies	01.12.18	N/A
Paul Gray	Chief Financial Officer	01.11.21	N/A
Alex Gild	Deputy Chief Executive and Chief Financial Officer Deputy Chief Executive	01.04.11 07.06.21	06.06.21 N/A
Minoo Irani	Medical Director	19.07.16	N/A
Tehmeena Ajmal	Chief Operating Officer	14.05.22	N/A

Independent External Well-Led Review

The Trust Board commissioned an independent consultancy firm, DCO Partners, to conduct an external Well-Led Governance Review. DCO Partners has no other connection with the Trust or to individual directors. The review commenced in January 2023 and consisted of one-to-one interviews with members of the Trust Board, Board and Sub-Committee observations, a focus group with the governors and a desk top review of documentation.

The External Review concluded that Berkshire Healthcare was a very high-performing Trust and was rightly proud of its reputation and made the following observations:

"The Board is providing leadership in an environment of turbulence and change, and in an emerging system that is complex and not fully formed, with plenty of fragmentation in terms of geography and organisation."

The External Reviews recommendations were:

I. Strategy development needs more specificity, to allow the Non-Executive Directors to engage and to translate the aspirations of the Trust into concrete plans over a 5-year timeframe and led by the Trust Board. From this can follow harder-edged strategic objectives

II. A board development plan is now needed to cover a variety of new areas and to reflect gaps in knowledge on the part of Non-Executive Directors. Areas to cover include:
    - Developing a risk appetite
    - A better understanding of system working and the impact of working with two very different Integrated Care Systems, now that they are up and running.
    - Understanding the potential for collaboration with stakeholders such as Local Authorities, the Voluntary Sector and Private healthcare, and how best to negotiate this.
    - A dedicated programme to pursue innovation and ideas generation.

III. The Trust is capable of more innovation, especially in the digital area, and the Board should discuss faster progress as part of its strategy and consider taking on a digital partner.

IV. The Board should consider how best to support the Governors over their Public duty and to look for opportunities to work with Non-Executive Directors

V. The Trust should consider establishing a shadow board to expose suitable candidates to the work of senior leadership and promote diversity.

The Trust drew up an action plan to take forward the recommendations which was presented to the July 2023 and December 2023 public Trust Board meetings.

Trust Board and Sub-Committee Annual Review of Effectiveness

The Trust Board and Board Sub-Committees conduct annual reviews of effectiveness via a self- assessment survey.

The Trust Board undertook its annual review of effectiveness in the summer of 2023. Overall, the results were very positive, but the Board identified that it would be useful to have more time to discuss strategy. As mentioned above, the Board agreed to reduce the number of formal Public Board meetings from 7 to 6 meetings a year and to increase the number of Discursive meetings from 4 to 5 meetings per year.

The results of the surveys are reported to the respective Board and Sub- Committees. In addition, the Audit Committee receives the self-assessments of the other Sub-Committees as part of its corporate governance assurance work.

Members of the Trust Board – Annual Appraisals

The Chief Executive is responsible for conducting the annual appraisals for each of the Executive Directors. The Chair undertakes the Chief Executive's annual appraisal. The Senior Independent Director undertakes the Chair's annual appraisal which is overseen by the Council of Governors' Appointments and Remuneration Committee. The Trust Chair undertakes the annual appraisals of the Non-Executive Directors and provides a summary of the outcome of each appraisal to the Council of Governors' Appointments and Remuneration Committee.

Register of Interests

The Trust maintains a Register of Interests for all members of the Trust Board providing details of any Company Directorships and any other relevant significant business interests held that may conflict with any management responsibilities. This Register is published on the Trust's website at: https://www.berkshirehealthcare.nhs.uk/about-us/key-documents/reports-policies-and-procedures/ or may be obtained upon request to the Trust's Company Secretary.

Focus on Quality

The Trust's latest comprehensive inspection by the Care Quality Commission took place in November and December 2019. The Trust received an overall rating of "Outstanding."

The Care Quality Commission's ratings in respect of the five quality domains in set out below:

CQC Domains	Rating	
Are Services Safe?	Good	
Are Services Effective?	Good	
Are Services Caring?	Good	
Are Services Responsive?	Outstanding	
Are Services Well-Led?	Outstanding	
Overall Rating	**Outstanding**	

In April 2017, the Trust launched its Quality Improvement Programme with the aim of enabling the organisation to apply a consistent approach to continuous improvement by developing the ability of every staff member to become problem solvers and make improvements to the way we deliver care for our patients. Quality of service and patient experience remain top priorities for the Trust Board with quality being set at the top of the Trust Board's agenda each month. Non-Executive Directors and Governors make visits to services. The Trust also has a programme of 15 Step Visits.

A key aspect of Quality Improvement is to increase the Executive Directors' value adding activity, with value being defined by the customer. The ultimate customer in healthcare is the patient/service user, but for some services this could be another team or partner organisation. W e have introduced to support our goal of increasing Executive Director value is through Gemba visits/walks. Gemba is a Japanese word defined as "the actual place" and in Quality Improvement terminology this is "where value is added." Gemba is the place where real value is created or delivered for the customer – so this is normally where care givers are directly helping patients/service users, as that is what they value.

The purpose of a Gemba visit is to take time to observe and interact with people at the Gemba, to learn and understand what is really happening. There are a number of benefits from this:

- People going to Gemba can see and understand how things are really done to help them with their own "value adding" work.
- Leaders can support front line staff by seeing and hearing about the improvement work and identify things which can be escalated and supported.
- People can see how our Quality Management Improvement System is operating at the Gemba to help with their Quality Improvement training, learning and the development of Quality Improvement in our Trust.
- It provides an opportunity to practice Quality Improvement skills and Quality Improvement leadership behaviours.

The Trust Board agenda includes a patient story at the start of the meeting.

The Quality and Performance Executive Group, chaired by the Chief Executive meets monthly to review quality related issues, such as patient safety and learning incidents, quality concerns and the minutes of the locality and service monthly Patient, Safety and Quality meetings. The meeting also reviews performance and waiting times. The Quality Assurance Committee (Trust Board Sub-Committee), which meets quarterly, continues to provide an opportunity for Non-Executive and Executive Directors to debate and scrutinise the Trust's quality strategy, processes and performance in greater depth and to provide a forward-looking perspective on the quality agenda.

Further information about the Trust's quality performance can be found in the Quality Accounts Report 2023-24 available from the Trust's website.

Code of Governance for NHS Provider Trusts Compliance

Berkshire Healthcare NHS Foundation Trust has applied the principles of the Code of Governance for NHS Provider Trusts on a 'comply or explain basis. The Code of Governance was most recently revised in October 2022 and is based on the principles of the UK Corporate Governance Code issued in 2012.

As a Trust we are committed to high standards of corporate governance. For the year ended 31 March 2023, the Board considers that it was, throughout the year, fully compliant with the provisions of the Code of Governance for NHS Provider Trusts.

Code Reference	Annual Report Section	Page
A.2.1	Consideration of opportunities and risks to future sustainability	P7
A.2.3	Staff Report – NHS Staff Survey Results	P97
A.2.8	Stakeholder Relations	P81
B. 2.6	Trust Board Members - Independence of Non-Executive Directors	P77
B.2.13	Attendance at Board and Sub-Committee Meetings	P70
B.2.17	Council of Governors and Trust board Dispute Resolution Process	P109, P112
C.2.5	External Consultancy – Appointment of Non-Executive Director and External Well Led Review	P59, P61
C.2.8	Appointment of Non-Executive Directors	P59
C.4.2	Directors' Biographies	P72
C.4.7	External Well-Led Review	P61
C.4.13	Appointments and Remuneration Committee	P27, P70 and

Code Reference	Annual Report Section	Page
	Equality, Diversity and Inclusion Section Staff Report - Talent Management	P95
C.5.15	Membership	P114
D.2.4	Annual Governance Statement	See Annual Account
D.2.6	Statement of Accounting Officer's Responsibilities	See Annual Accounts
D.2.7	Annual Governance Statement	See Annual Accounts
D.2.8	Annual Governance Statement	See Annual Accounts
D.2.9	Going Concern Statement	P12
E.2.3	Not applicable	
Appendix B, para 2.3 (not in Schedule A)	Membership of the Council of Governors	P109
Appendix B, para 2.14 (not in Schedule A)	Contacting our Governors and Directors	P117
Appendix B, para 2.15 (not in Schedule A)	Working Relations between the Council and Trust Board	P111
Additional requirement of FT ARM resulting from legislation	Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties	N/A

NHS System Oversight Framework

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

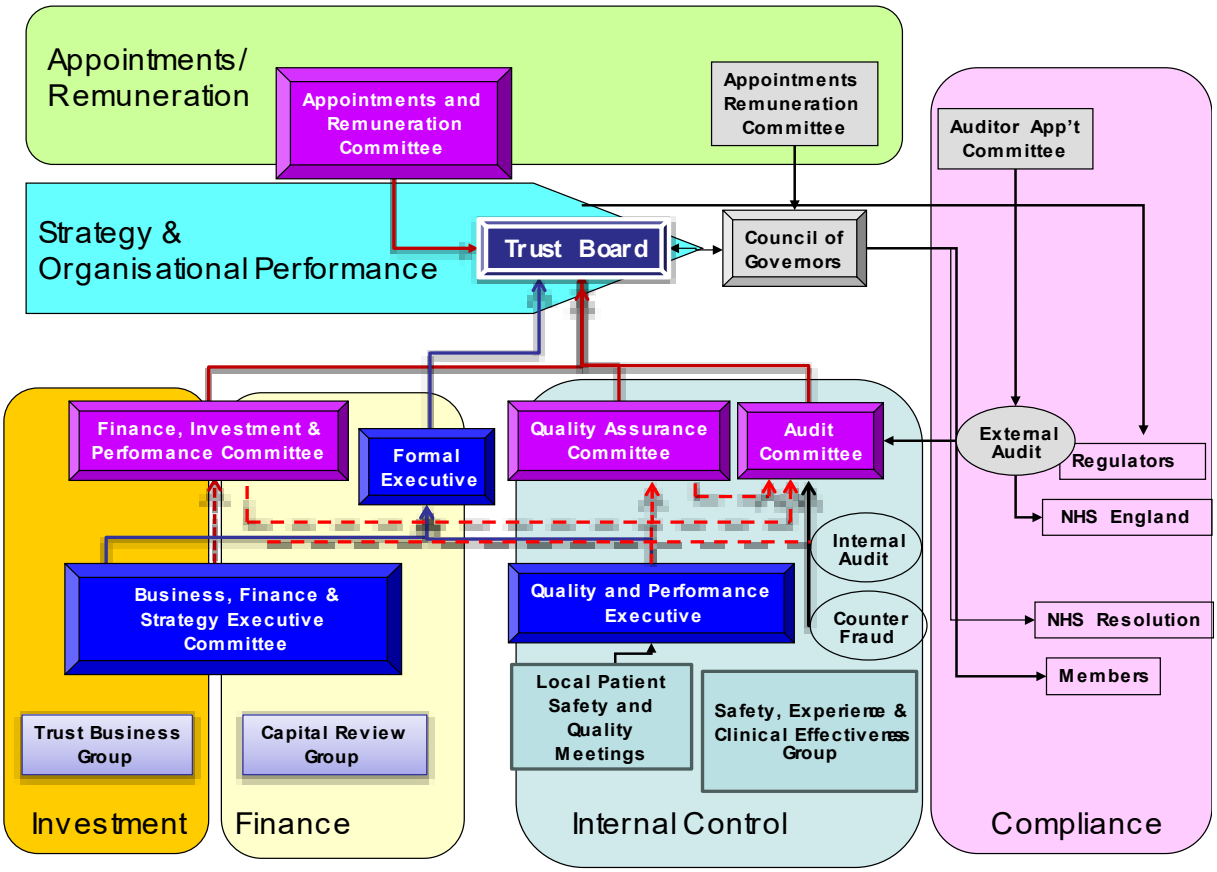
A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment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

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

Throughout the year, the Trust has operated in compliance with our NHS Provider Licence and continue to be in segment 1.

Governance Framework

The Trust operates a comprehensive structure and reporting arrangements which facilitate robust governance throughout the organisation involving the Council of Governors, the Trust Board and various committees. The diagram below provides a view of the high-level governance and reporting arrangements that were in place during 2023-4 to provide appropriate governance and assurance.



The Trust Board, led by the Trust Chair, sets the strategic direction of the Trust and is responsible for the organisation's decision-making and performance to ensure the delivery of high quality, safe and efficient services.

The effectiveness of the Trust's governance arrangements is regularly assessed, including through internal and external audits. The Trust Board places great emphasis on the achievement of high-quality services and uses several different sources of information to monitor and triangulate performance and to provide robust assurance. The Trust Board receives a detailed True North Performance Scorecard report at each meeting which presents information across the whole spectrum of the Trust's activity

with reference to quality measures. This report is scrutinised further on behalf of the Trust Board by the Finance, Investment and Performance Committee.

Streams of assurance on quality include internal and external audit activity, patient and staff satisfaction surveys, quarterly patient experience reports to the Trust Board and virtual and physical or virtual visits to clinical services conducted by members of the Trust Board.

Reports are also received on subjects such as compliments and complaints, learning from deaths, patient safety and learning incidents (including details of any lessons learned), infection prevention and control and compliance with Care Quality Commission regulations. These and other information sources are used to assure the Trust Board of its duty to provide regular quality declarations to NHS England.

Clinical Directors are responsible for maintaining a focus on local quality issues and for ensuring that best practice is identified and shared across the organisation. This is supported by the corporate governance arrangements in place and by the patient safety function which undertakes activity to monitor the Trust's compliance with the Care Quality Commission's regulations.

The Trust operates fully in compliance with the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 Regulation 5: Fit & Proper Persons and all Directors are required to meet these requirements and to declare such annually. In addition, in the case of all new Directors, appropriate checks are made in accordance with the fit and proper person regulations before an appointment can be confirmed. In addition, members of the Trust Board are required to abide by the Board's Code of Conduct which reflects the high standards of probity and responsibility which are required of all Board members.

In line with constitutional requirements, the Trust maintains a register of interests for Directors which is available on the Trust's website or from the Company Secretary. The Company Secretary attends the Trust Board and its Sub-Committee meetings and produces detailed minutes of the discussions. Any concerns about a proposed course of action will be recorded in the minutes in line with the Code of Governance for NHS Provider Trusts' requirements.

Trust Board Committees

During 2023-24 the Trust Board had five standing committees that helped it discharge its duties.

Audit Committee

The Audit Committee, comprising only Non–Executive Directors, is responsible for

making sure the Trust governs itself well by concluding on the adequacy of the Trust's systems of internal control and its assurance framework. The main roles and responsibilities are set out in the terms of reference approved by the full Trust Board, which are consistent with national guidance.

These responsibilities include:

- monitoring the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance and reviewing significant financial reporting judgements contained in them
- reviewing the Trust's internal financial controls and the internal control and risk-management systems
- monitoring and reviewing the effectiveness of the Trust's internal audit function
- reviewing and monitoring the external auditor's independence and objectivity, and the effectiveness of the audit process, taking into consideration relevant requirements
- monitoring progress and output from the Trust's clinical audit activity; and
- Reviewing the annual clinical audit plan.

The Audit Committee has met these responsibilities by:

- Overseeing internal audit, counter fraud, and external audit services by:
    - reviewing the audit and counter fraud strategies and annual plans
    - receiving progress reports
    - considering the major audit findings and management's responses
    - holding discussions with internal and external audit
    - ensuring co-ordination between external and internal auditors
    - reviewing the external audit management letter; and
    - reviewing clinical audit summary reports
- Reviewing and monitoring compliance with the Trust's Standing Orders and standing financial instructions
- Monitoring and advising the Trust Board on the Trust's Board Assurance Framework and Corporate Risk Register
- Reviewing schedules of losses and special payments
- Reviewing the annual accounts of the Trust before submission to the Trust Board and Charitable Funds Trustees, focusing particularly on:
    - changes in and compliance with accounting policies and practices
    - major judgmental areas
    - significant adjustments resulting from the audit
- Receiving and reviewing minutes from the Finance, Investment and Performance Committee and the Quality Assurance Committee
- Ensuring that both internal and external auditors have full, unrestricted access to

all the Trust's records, personnel, and the Audit Committee members.

The Audit Committee reviewed financial and operating performance and compliance against national and regulatory standards. The Committee's review was supported by reporting from the Chair of the Finance, Investment and Performance Committee.

In-depth reviews of strategic and operational risks have further supported the Committee's understanding and review of the key issues facing the Trust.

The continuing effectiveness of both the internal and external auditors is monitored by the Committee, as is the Committee's own effectiveness through self-assessment against best practice standards.

The Audit Committee also considers the key risks identified by the External Auditor and uses its resources and the internal audit programme to provide assurance around the following key areas: management override, property valuations and completeness of accruals.

Auditor's Independence

The Trust requires its Auditors to demonstrate the policies and procedures they use to ensure they remain independent while carrying out their duty. During the year, the only work appointed by the Trust has been the audit, and the independent examination of the charity (which is non-audit but clearly audit related assurance services).

Finance, Investment and Performance Committee

The Finance, Investment and Performance Committee, comprising both Non-Executive and Executive Directors is responsible for reviewing financial and operational performance and for reviewing and providing expert comment on all significant financial investment and disinvestment decisions. They also scrutinise reporting on safe staffing and business development activity. On behalf of the Trust Board, the Committee oversees the implementation of the People Strategy's recruitment and retention work.

The Committee receives the minutes of the Trust Business Group and the Business, Finance and Strategy Executive Committee.

Quality Assurance Committee

This Committee provides a forum for detailed scrutiny and consideration of the Trust's quality agenda and provides assurance to the Trust Board about the quality of clinical services This includes, but is not restricted to: review of infection control performance, organisational learning from incidents including learning from deaths, review of the

Guardians of Safe Working Hours of Doctors and Dentists in Training, performance against quality priorities, Care Quality Commission inspection reports, progress in implementing action plans to address shortcomings in the quality of services, Trust safeguarding assurance and quality concerns. Membership of the Committee includes both Non-Executive and Executive Directors

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is comprised of all Non-Executive Directors and is chaired by Mark Day, Non-Executive Director. The Committee is responsible for ensuring that there is a robust process in place for appointing Executive Directors and Very Senior Managers and for determining Executive Director and Very Senior Managers remuneration. The Committee is also responsible for ensuring that the Trust has an effective Talent Management and Succession Planning process in place.

The Chief Executive attends meetings but is not present for discussions relating to his own remuneration or terms and conditions. The Committee is supported by the Director of People and the Company Secretary.

More information about Non-Executive and Executive Director remuneration can be found in the Remuneration Report later in this report.

The Appointments and Remuneration Committee should not be confused with the Council of Governors Appointments and Remuneration Committee, which considers the appointment and conditions of Non-Executive Directors.

Attendance at Board meetings and Committees 2023-24

Board Meetings

Name	Position	Meetings attended/possible*
Martin Earwicker	Chair	11/11
Rebecca Burford	Non-Executive Director (from 01.07.23)	07/08
Sally Glen	Non-Executive Director	10/11
Naomi Coxwell	Non-Executive Director, *Senior Independent Director*	11/11
Mark Day	Non-Executive Director, Vice-Chair from 01.07.23	11/11
Aileen Feeney	Non-Executive Director	10/11
Rajiv Gatha	Non-Executive Director	10/11
Mehmuda Mian	Non-Executive Director, Vice Chair until 30.06.23	02/03
Julian Emms	Chief Executive	11/11
Debbie Fulton	Director of Nursing and Therapies	11/11
Alex Gild	Deputy Chief Executive	11/11

Name	Position	Meetings attended/possible*
Paul Gray	Chief Financial Officer	11/11
Minoo Irani	Medical Director	11/11
Tehmeena Ajmal	Chief Operating Officer	11/11

**Includes attendance at both the Public Trust Board meetings and private discursive meetings.*

Audit Committee Meetings

Name	Position	Meetings attended/possible
Rajiv Gatha (Chair)	Non-Executive Director	04/04
Naomi Coxwell	Non-Executive Director	04/04
Mehmuda Mian	Non-Executive Director (until 30.06.23)	01/02
Mark Day	Non-Executive Director (from 01.07.23)	03/03

Finance, Investment and Performance Committee Meetings

Name	Position	Meetings attended/possible
Naomi Coxwell (Chair)	Non-Executive Director	05/05
Mark Day	Non-Executive Director (until 30.06.23)	01/01
Aileen Feeney	Non-Executive Director (from 01.06.22)	03/04
Sally Glen	Non-Executive Director (from 01.07.23)	04/04
Julian Emms	Chief Executive	03/05
Paul Gray	Chief Financial Officer	04/05
Tehmeena Ajmal	Chief Operating Officer	04/05
Debbie Fulton	Director of Nursing and Therapies	04/05

Appointments and Remuneration Committee Meetings

Name	Position	Meetings attended/possible
Mark Day (Chair)	Non-Executive Director	01/01
Martin Earwicker	Trust Chair	01/01
Rebecca Burford	Non-Executive Director (from 01.07.23))	01/01
Sally Glen	Non-Executive Director	01/01
Naomi Coxwell	Non-Executive Director	01/01
Aileen Feeney	Non-Executive Director	01/01
Rajiv Gatha	Non-Executive Director	01/01
Mehmuda Mian	Non-Executive Director (until 30.06.23)	00/00
Julian Emms	Chief Executive	01/01

Quality Assurance Committee

Name	Position	Meetings attended/possible
Sally Glen (Chair)	Non-Executive Director	04/04
Mehmuda Mian	Non-Executive Director (until 30.06.23)	01/01
Rebecca Burford	Non-Executive Director (from 01.07.23)	03/03
Aileen Feeney	Non-Executive Director	02/04
Naomi Coxwell	Non-Executive Director (deputising for Aileen Feeney, Non-Executive Director)	01/01
Mark Day	Non-Executive Director (deputising for Aileen Feeney, Non-Executive Director)	01/01
Julian Emms	Chief Executive	03/04
Minoo Irani	Medical Director	03/04
Debbie Fulton	Director of Nursing and Therapies	03/04
Tehmeena Ajmal	Chief Operating Officer	04/04

All Board Committees are supported by the Company Secretary and such other senior personnel as required.

Trust Board Members

Martin Earwicker – Chair

Martin Earwicker became Chair of Berkshire Healthcare NHS Foundation Trust in December 2016, prior to this he was Vice Chair of Dorset County Hospital NHS Foundation Trust. He retired from being Vice Chancellor of London South Bank University in 2013. Before this he was Director and Chief Executive of the Science Museum Group. However, his main career was in scientific research working for the Ministry of Defence interspersed with senior appointments in Whitehall; for the last five years of which he was Chief Executive of the Ministry of Defence's Research Laboratories, the Defence Science and Technology Laboratory.

In addition to his interest in health, he is a keen supporter of Further Education colleges, and was chair for more than six years of Tower Hamlets College in the east end of London serving a particularly disadvantaged community, and for some 14 years as chair of Farnborough College of Technology. He has also been a Trustee of his local Citizens Advice Bureau.

He read Physics at Surrey University, graduating in 1970. He was appointed a Fellow of the Royal Academy of Engineering in 2000 and has been a vice president of the Academy and was awarded an Honorary Doctorate of Surrey University in 2009. He is an Emeritus

Professor of London South Bank University.

Rebecca Burford – Non-Executive Director (from 1 July 2023)

Rebecca joined Berkshire Healthcare as a non-executive director in July 2023.

She is a qualified solicitor and a Partner with an international law firm, specialising in corporate mergers and acquisitions, private equity and venture capital investments, predominantly working with the technology business. She also sits as an appointed member of the Law Society's Ethnic Minority Solicitors committee.

Both her parents have previously worked for the NHS, so the organisation is close to her heart, and she enjoys being able to contribute to the strategy and direction of the Trust, bringing her experiences from the corporate sector and her diversity of thought.

Naomi Coxwell – Non-Executive Director, Chair of the Finance, Investment and Performance Committee and Senior Independent Director

Naomi Coxwell joined Berkshire Healthcare as a Non-Executive Director on 13 December 2017. She lives in Farnham, Surrey and is also a Non-Executive Director for Arco - a safety specialist company and also for James Walker Group Ltd - a global manufacturing and engineering firm.

Naomi is a former Vice President of BP and worked in the oil and gas industry for over 30 years. She is a graduate of Exeter University where she received a bachelor's degree in Geology in 1984, and has studied at The Warton School, University of Pennsylvania, where she received BP's Chief Financial Officer Excellence certificate in 2012. In August 2021 Naomi completed a course in Business Sustainability Management run by the University of Cambridge.

Naomi started her career in 1984 with Petrofina and was one of the first women to work as a Geologist on offshore rigs in the United Kingdom. She joined BP in 2000 and spent the following 16 years working overseas in increasingly senior positions. She has led diverse, multicultural teams in the development of strategy, management of risk, and in driving continuous improvement across six continents.

Naomi believes that that the physical and psychological health of individuals is the single biggest contributor to societal strength and productivity and sees Berkshire Healthcare as being a major contributor to that cause.

Mark Day – Non-Executive Director, Chair of the Appointments and Remuneration Committee and Vice Chair from 1 July 2023

Mark Day joined Berkshire Healthcare as a Non-Executive Director on 1 September 2016. Mark until recently was the Chairman of Haven West Berkshire Homeless Charity.

Haven operates a Soup Kitchen in Newbury for the homeless and vulnerable in West Berkshire.

Mark started his career with Crookes Healthcare (subsequently Boots Pharmaceuticals) and then moved to the Automobile Association where he embarked on his Human Resources career path. A number of different Human Resources-related roles were undertaken until the organisation was acquired by the Centrica Group. Feeling that the time was right for a move into a different industry sector, Mark joined the Board of the Hospital Saving Association as Director of Human Resources.

Shortly after joining the Hospital Saving Association (subsequently becoming Simplyhealth) Mark assumed Director responsibility for the customer service operation and focussed on improving the personal service provided by the organisation. In addition to achieving consistent years of being in the Sunday Times 100 Best Companies to Work For, many industry awards were achieved for the exceptional service provided to both corporate clients and individual customers.

Mark firmly believes that people can be the only true differentiator in organisations and is keen to see Berkshire Healthcare continue to provide support across our communities based on this principle.

Aileen Feeney, Non-Executive Director

Aileen Feeney joined Berkshire Healthcare NHS Foundation Trust as a Non-Executive Director in November 2019. Her career spanned both the commercial and charity sectors, most recently as Chief Executive for a UK-wide patient support charity.

Aileen spent most of her career in the Energy industry, in senior leadership roles that focussed on strategic business and technology transformation both in the UK and overseas.

Aileen holds several voluntary positions including being Lay Member for NHS Blood & Transplant, Trustee of a mental health support charity and a Member of Wokingham School's Circle Trust

Aileen has lived with her family in Berkshire for over 30 years. She has an Honours Degree in Biomedical Electronics, is a Chartered Engineer and an Associate of the London College of Music.

Rajiv Gatha, Non-Executive Director and Chair of the Audit Committee

Rajiv Gatha joined Berkshire Healthcare as a Non-Executive Director on 1 October 2021. He lives in Finchampstead with his wife and two sons, having spent most of his life in the local area.

He is a graduate of the London School of Economics where he received a bachelor's degree in 1992, following which he qualified as a Chartered Accountant within the audit practice at Deloitte. He is now a Fellow of the Institute of Chartered Accountants in England and Wales.

After his six years at Deloitte, Rajiv spent the rest of his career working for multinational IT companies in various Finance roles. He has been working at Cisco since 2008, where amongst other roles, he has been on the Cisco UK Pension Plan Governance Committee and a Trustee of their UK Healthcare Trust. Currently he is Vice President of Finance, supporting the Cisco Customer Experience organisation and manages a large team across the Americas, Europe, Middle East, Africa, and Asia.

Sally Glen, Non-Executive Director and Chair of the Quality Assurance Committee

Sally Glen became a Non-Executive Director of Berkshire Healthcare Foundation Trust in June 2022. Prior to this she was a Non-Executive Director of West London NHS Trust, Leeds Partnership NHS Trust, and East London NHS Foundation Trust. She retired from being Deputy Vice Chancellor at Leeds Beckett University in 2014. She was also Dean of Health at the University of Dundee and City University of London.

Sally has a particular interest in mental health. She is a Trustee of Certitude London and Chairs the Quality Committee. She is a Trustee of the Cassel Hospital. She Chairs Metanoia Institute and she is also a Governor of a Primary School.

Sally trained and worked as Children's Nurse and an Adult Nurse. She sits on the Nursing and Midwifery Council's Professional Standards. She has a PhD from the University of Southampton. She continues to supervise mid-career health professionals undertaking PhDs.

Mehmuda Mian – Non-Executive Director (Vice-Chair) until 30 June 2023

Mehmuda Mian practised as a solicitor specialising in commercial and professional indemnity litigation. Her commitment to rigorous, high public life standards led her to take on a regulatory function at the Law Society, investigating complaints against solicitors, and chairing independent review panels for the NHS. She left to take up an appointment at the Police Complaints Authority. Mehmuda was subsequently appointed as one of the first Commissioners to the Independent Police Complaints Commission and is a former BBC Trustee, Non-Executive Director of the Independent Safeguarding Authority, and of the Disclosure and Barring Service.

Mehmuda is currently a lay member of the Committee on Standards of the House of Commons.

Julian Emms – Chief Executive

Julian was appointed Chief Executive in July 2012, following a nine-month period during which he was the acting Chief Executive. Julian started his career in the Probation Service as a Support Worker and went on to undertake a variety of roles in the service over a 10-year period before joining the NHS in 1997.

An NHS Executive Director since 2004 Julian has wide ranging experience in organisational leadership and service improvement. Julian was part of the Trust's successful NHS foundation trust application in 2007 and was the project director who oversaw the integration of community health services into the Trust in 2011.

Julian's senior management roles prior to becoming a director were all joint posts with social care and focused on providing better integrated care for local people.

Julian is currently leading a Temporary Staffing Provider collaborative across the Southeast Region.

Julian is also the chair of the NHS Benchmarking mental Health Reference Group, a position he has held since January 2016.

Debbie Fulton - Director Nursing and Therapies

Debbie qualified as a nurse in 1989. She has enjoyed a varied career having held a variety of nursing as well as clinical and operational management positions across Berkshire since 1998 and prior to that as a nurse and ward manager at Frimley Park Hospital.

Debbie has worked within Berkshire Healthcare in since the merger with East and West Community organisations in 2011 and undertook clinical and locality Director roles as well as the roles of Deputy Director Nursing prior to taking up her current position in December 2018.

Alex Gild – Deputy Chief Executive

Alex joined the Trust in September 2006. A business graduate and a qualified accountant, he started his NHS finance career as a trainee finance assistant in 1996 with spells working in the acute trusts in Oxford, before latterly joining South Central Strategic Health Authority.

Alex was Deputy Director of Finance at Berkshire Healthcare NHS Foundation Trust and was appointed Executive Director of Finance in April 2011 (his title changed to Chief Financial Officer in March 2017) and was appointed Deputy Chief Executive in April 2019.

In June 2021, Alex’s portfolio changed and he ceased being the Chief Financial Officer. Alex stepped into a broader Deputy Chief Executive portfolio, responsible for strategy,

partnerships, human resources, diversity and inclusion, transformation, quality improvement, IM&T and communications.

Alex is a provider partner member of the Frimley Integrated Care System's' Integrated Care Board (ICB), representing community services. Alex chairs the ICB finance and performance subcommittee and is design co-sponsor and chair of the newly formed Frimley ICB Mirror Board.

Alex Is a past president of the Healthcare Financial Management Association (2018) and since 2021 reappointed member of the National Advisory Board for NHS Procurement and Supply and chair of the south advisory forum.

Dr Minoo Irani – Medical Director

Minoo has been working in Berkshire as Consultant Community Paediatrician since 2001 and has held positions as Lead Paediatrician, Clinical Director, Lead Clinical Director and Acting Medical Director in the Trust before being appointed as Medical Director in July 2016. Minoo has a master's in health management from Imperial College, London and professional qualifications from the United Kingdom, India and the United States.

Paul Gray – Chief Financial Officer

Paul joined the Trust in 2018 as Director of Finance and was appointed as Chief Financial Officer in November 2021. Paul started his NHS career in 1999 on the National Graduate Financial Management Training scheme. He was previously Associate Director of Finance at Hampshire Hospitals, and prior to that has held a number of senior roles at both acute and specialist providers.

Tehmeena Ajmal – Chief Operating Officer

Tehmeena started working for the NHS in 1994, having previously worked in the charitable and local authority sectors. Her roles have included service improvement, programme delivery, governance and risk, and operational management and leadership. She has worked across acute, ambulance, commissioning and community and mental health services.

More recently she led the covid vaccination programme across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System area and was appointed to the role of Chief Operating Officer in Berkshire Health in 2022. Tehmeena is also a Deputy Lieutenant in Oxfordshire and a trustee of Age UK Oxfordshire.

Independence of Non-Executive Directors

None of the Directors have any declared political activities and all are considered

independent.

Directors Expenses

Directors are entitled to claim expenses in accordance with their terms and conditions of appointment. Expenses primarily relate to travel and car parking charges and for 2023-24, 8 Directors (out of 13) claimed expenses with an aggregate value of £5,477.55.

Patient Experience 2023/24

The 'I want Great Care' (iWAC) patient experience tool is our primary patient survey programme, introduced in December 2021, and is available to patients to complete via online, SMS, paper, and electronic tablet; it is offered to patients following a clinical outpatient contact or, for inpatient wards, on discharge.

This tool is used to measure patient experience in a standardised way across all teams and services within the organisation, and this data is available to teams and services in real time, supporting understanding of patient experience and improvement activity. The experience data can be viewed not only at organisational and service level but also by differing demographics meaning that we can see if there is inequality of experience by protected characteristics. This information has been used more over the year to inform and support the Trust's commitment to the Patient and Carer Race Equality Framework (PCREF).

The tool uses a 5-star scoring system as an overview as well as free text to capture the patients' overall experience alongside their experience around facilities, staff, information, feeling listened to, ease of access, involvement, and safety. Free text invites our patients to comment on both their experience and suggested improvements. The tool includes the friends and Family test questions to enable us to continue to capture and report this.

We are seeing an increase in the numbers of responses received which support areas for improvement alongside hearing the patient's voice both where the experience is good and where improvements could be made.

There were 29,229 responses on iWGC during 2023/24, an increase from 16,405 (+56%) during 2022/23, with an average 94.2% positive experience score (an increase from 93.9%) and an average 4.76-star rating (up slightly from 4.75). This sustained increase in patient satisfaction, given the increase in the number of responses, is an indicator of the high level of care and treatment we provide.

Our response rate continues to build, and we are continuing towards a target of an average 10% Trust Wide response rate. From April 2024, the response rate will be

calculated by using the number of unique patients, rather than the total number of contacts, as this is more representative of both the activity of the service and behaviour of patients when responding to multiple surveys. Patients will still be offered the opportunity to give their views each time they are seen.

Services report compliments they receive on a quick and easy to use Datix form (the same online system we use for complaints and incident reporting). This is a way of sharing good practice and praise through our Divisions and across the wider organisation. The system continues to be developed, following feedback from our staff to capture a variety of compliments, including people verbally saying, “thank you,” as well as gestures such as flowers and cards.

4,036 compliments were reported by services during 2023/24, compared with 4,522 the previous year. This is a sustained increase from 3,794 received in 2021/22. These compliments are in addition to the positive feedback captured via the iWGC feedback tool.

Services also use Datix to log concerns that they have dealt with at a local level; referred to as local resolution, this method of responding to feedback continues to be supported by the Patient Experience Team. This is a helpful tool for measuring quality, before the escalation to a more formal complaint and is driven by our front-line services resolving concerns effectively, with support and training available from the Complaints Office and wider Learning and Development department.

The number of Formal Complaints received has increased to 281 from 240, with the table below reporting the activity over time. This shows that whilst we received the highest number of Formal Complaints this year, it is important to consider this in terms of the number of patient contacts and the percentage of these contacts that result in a Formal Complaint being made:

Year	Number of Formal Complaints received	% of Patient Contacts
2023/24	281	0.030%
2022/23	240	0.043%
2021/22	231	0.049%
2020/21	213	0.038%

The Trust actively promotes feedback as part of ‘Learning from Experience', which within the Complaints Office includes activity such as enquiries, services resolving concerns informally, working with other Trusts on joint complaints, responding to the office of Members of Parliament who raise concerns on behalf of their constituents, complaints

raised via the Care Quality Commission and through advocacy services.

The Trust achieved a 100% response rate in responding to complainants within an agreed timescale and continues to monitor an internal target of 25 working days (with the complexity of a number of the complaints that we receive and the availability of operational staff this internal target in not always possible).

Our complaint handling and response writing training available to staff continues to be delivered online over MS Teams and takes place on a regular basis (with a waiting list) across the different Divisions, in addition to bespoke, tailored training for specific teams which has taken place to staff groups and teams.

Our complaints process works alongside our Serious Incidents processes and Mortality Review Group (linking in as part of the Patient Safety Incident Response Framework; PSIRF) having a direct link to ensure that any complaint involving a patient death is reviewed. Weekly and monthly meetings with the Patient Safety Team take place to ensure that we are working effectively and identifying any themes or emerging patterns.

We wished our outgoing Complaints Manager a happy retirement at the end of the year, welcoming in a new member of the team.

The Patient Experience Team continues to offer the 'Message to a loved one' service that was set up as a response to the pandemic, enabling friends and family to send in messages, which are then sent on to patients on the ward. There continues to be positive feedback about this opportunity for people to stay in touch and stay connected to their life outside the hospital.

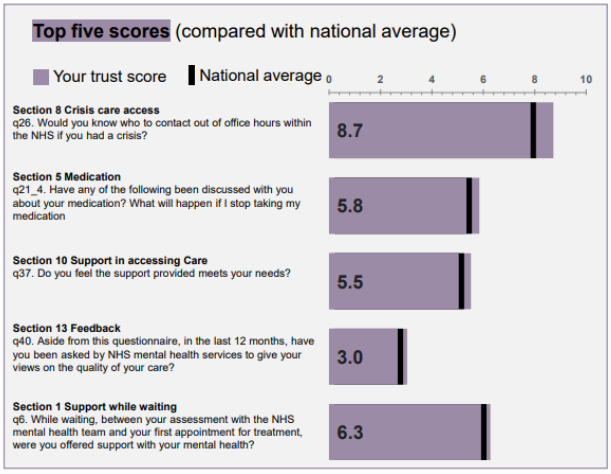
The Patient Advice and Liaison Service (PALS) provides a hybrid way of working; offering a mixture of remote, clinic and office-based working and this continues to work well with people contacting PALS (1,542 contacts over the year). We are supported two days a week by a former member of Trust staff who has returned as a Volunteer, and they encourage engagement on the wards at Prospect Park Hospital, is actively involved in the 15 Steps programme and helps us to collect feedback as part of the annual Reading PRIDE celebration.

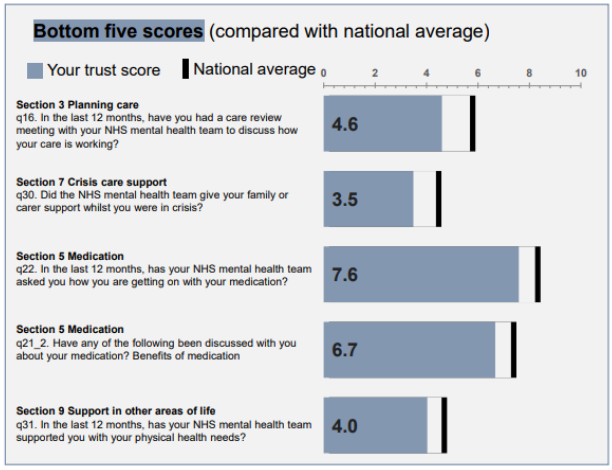
We have started work with our Transformation colleagues to see how we Intelligent Automation (IA) can support how we identify and respond to the increasingly high number of contacts (1,135 during the year across PALS and the Complaints) that the service receives that are for different NHS organisations and services.

Annual Community Mental Health Team Survey Results

The Care Quality Commission published the benchmarking reports containing the results of the 2023 Community Mental Health Survey. The Mental Health Division will review and monitor actions through their Patient Safety and Quality meetings.

The highlights of the report are:





Stakeholder relations

Our local communities are key stakeholders and in 2023/24 the Trust commissioned the six Voluntary Community, Social Enterprise (VCSE) forums across Berkshire to run a series of community engagement events to inform our Reducing Health Inequalities strategy, Mental Health, Equalities, Diversity and Inclusion and VCSE strategy.

We have established a CommUNITY forum to support and enable racialised community voices in our planning, service delivery and service transformation. 2023/24 saw the

launch of the Patient and Carer Race Equalities Framework for Mental Health services and we are using this as an approach across the whole Trust to embed active community engagement throughout our planning and decision making.

Reducing health inequalities has been a key programme of work for us for a number of years. 2023/24 included commissioning Berkshire Mind to run community engagement events with people with lived experience of being detained under the Mental Health Act. The learning from Mind and our communities will influence our mental health services' offer and we are working with the NHS Race Health Observatory, our Local Authority partners and other NHS Trusts to redesign our mental health services.

Berkshire Healthcare continues to be a key partner in two Integrated Care Boards (ICB), Buckinghamshire, Oxfordshire and Berkshire West (BOB) and Frimley Health and Care. The Trust is a member of the Frimley Health and ICB and Assembly and is a member of the BOB ICB. The Trust Chair regularly meets with our system and partner Trust Chairs and the Executive team have regular tripartite meetings with BOB and Frimley ICB Executives. The Trust are active contributors to both system and Place based plans and invite regular updates from System colleagues to Trust Board and the Council of Governors.

Both systems have a strong emphasis on Place based partnerships which the Trust actively supports. The purpose of these Place partnerships is to improve the health and wellbeing of the population served by the organisations within the Integrated Care System. As the provider of community physical and mental health services across Berkshire, we are key members of the Place-based partnerships with other key partners/stakeholders.

In the last year, the Trust has been an active partner in the establishment of Frimley Health and Care and Buckinghamshire, Oxfordshire and Berkshire West Mental Health Provider Collaboratives. Both have included significant stakeholder engagement across local communities, local authority and primary care partners.

Working with our stakeholders is key to delivering integrated, person-centered care. This approach has supported delivery of:

- In partnership with Frimley Health and Royal Berkshire Hospital, providing community-based frailty virtual wards supported by a Community Urgent Crisis Response service that provides care for people in their own homes.
- Integrated Health and Social Care Teams, known as Multi-Disciplinary Teams (MDTs), delivering care and treatment in a more joined up way both in community settings and in Care Homes
- Working with Primary Care Network and other partners, including the voluntary and community sector delivering Mental Health Integrated Care Services, community based mental health services providing a stronger focus on prevention and maintaining well health

- Continuing the development of our electronic Shared Care record, known as Connected Care, to support proactive population health management approaches and provide the data for our developing provider collaboratives
- Continuing joint planning about our use of our buildings, a shared approach to workforce planning and development of our support workforce.
- We participate in and have constructive relationships with the six Health and Wellbeing Boards, Local Integration Groups and Unitary Authority Health Scrutiny arrangements and hold regular meetings with representatives from all six Health Watch Groups in Berkshire - which is coordinated by our Patient Experience Team.

Remuneration Report

Chair and Non-Executive Director Remuneration

The remuneration and expenses of the Chair and Non-Executive Directors are determined by the Council of Governors on the recommendation of the Council of Governors' Appointments and Remuneration Committee. The Committee takes account of relevant market data, including the NHS Providers' Chairs and Non-Executive Directors Annual Remuneration Survey. The Council of Governors' Appointments and Remuneration Committee comprises of four Governors and is chaired by the Trust Chair. When the Committee is reviewing issues pertaining to the Chair, the Lead Governor chairs the meeting and the Trust Chair is not present.

The remuneration of Non-Executive Directors is comprised solely of their annual fee.

The Council of Governors' Appointment and Remuneration met in July 2019 and compared the current level of Non-Executive Director remuneration with other local NHS foundation trusts and with the benchmarking data provided by NHS Providers. The Committee agreed to remove the special responsibility allowances for the Vice Chair, the Senior Independent Director, and the Chair of the Audit Committee.

The Council of Governors' Appointments and Remuneration Committee met on 18 January 2024 and reviewed the Chair and Non-Executive Directors' remuneration. The Committee took account of national benchmarking data and the NHS Agenda for Change and Very Senior Managers pay awards for 2023-24 and agreed to recommend to the Council of Governors that the Chair and the Non-Executive Directors receive a 5% inflationary uplift backdated to 1 April 2023. The Council of Governors approved the recommendation at its meeting on 6 March 2024.

Senior Managers Remuneration

Remuneration of the Trust's 'senior managers' (the Chief Executive, Executive Directors and Very Senior Managers (VSMs) is determined by the Trust Board's Appointments and

Remuneration Committee. The Trust Board's Appointments and Remuneration Committee comprises all the Non-Executive Directors and is chaired by Mark Day, Non-Executive Director. The Chief Executive attends the meetings except when the Committee is discussing his terms and conditions and remuneration. The meeting is supported by the Director of People and the Company Secretary.

The Committee does not routinely apply inflationary uplifts or increases and only applies uplifts of any kind where this is thought justified by the context. The Committee's main aim is to ensure that Executive and Very Senior Manager remuneration is set at an appropriate level to ensure good value for money, whilst enabling the Trust to attract and retain high quality Directors. Executive Directors and Very Senior Manager remuneration does not currently include a specific performance related element.

Senior Managers Remuneration Policy

The Committee reviewed the Trust's remuneration policy for Executive Directors and Very Senior Managers in April 2019. In developing a new remuneration policy, the Committee was mindful of NHS Improvement's (now NHS England) guidance on Very Senior Managers Pay and the remuneration section of the NHS Foundation Trust Code of Governance (which is now replaced by the Code of Governance for NHS Provider Trusts).

The Committee also identified the following key considerations for the new remuneration policy:

- **Trust's Values and Behaviours** - to reflect the values of the organisation and ensure the setting of salaries and the annual awards are fair, consistent and recognise not only the contribution of the individual but also the overall performance of the Trust.
- **Trust's Equalities and Diversity Strategy** - The Committee should ensure any changes to senior salaries consider any gender or unconscious bias that may occur. Pay decisions must always consider experience, competence, skills, responsibility, accountability and performance.
- **Hays Directors Pay and Reward Review December 2018** - Following the independent review, it was agreed that the role of the Chief Operating Officer and the Director of Nursing and Therapies are comparable in terms of accountabilities and responsibilities and this should be reflected when setting the remuneration for the Director of Nursing and Therapies.

New Executives

The Chair and the Chief Executive would determine the salaries for new starters. This would take account of:

- NHS England's and other external salary benchmarking data

- Market conditions, for example, reviewing the number of quality candidates applying and the salary expectations
- Review of experience at Very Senior Manager or equivalent level
- Consideration of the gender pay gap and any unconscious bias

Annual Pay Review of Executives

The Committee agreed that the annual pay review for Executive Directors and Very Senior Managers would take account of:

- The Trust's performance against targets set at the start of the annual performance cycle; the outcome of the Care Quality Commission's Well Led assessment; financial stability; and an assessment against national agreed contracts and performance benchmark data for comparable organisations
- NHS England and NHS Provider's national salary benchmark data
- Local recruitment markets (for example, local NHS Trusts' ability to recruit and staff turnover etc)
- The annual award for all Agenda for Change staff
- A review performance of the individual:
    - If performance is not satisfactory, the individual will not be considered for either a consolidated or non-consolidated pay award
    - Base pay position against the NHS England's benchmark will take place, if performance is 'good' then consideration of a consolidated or a non-consolidated award would take place
    - If the individual is in the upper quartile of the pay range of NHS England's benchmarks, consideration would be given to awarding a non-consolidated pay increase in line with the Agenda for Change award
    - If the individual's salary is below the upper quartile pay range, the Committee will consider awarding consolidated pay awards until the individual reaches the upper quartile (subject to satisfactory performance)
- In addition, for individuals to be eligible for a pay award:
    - They must have had a satisfactory appraisal in the last 12 months
    - Their performance and/or capability is not being formally managed
    - They do not have a live formal disciplinary sanction on their record
    - They must be up to date with all their statutory and mandatory training
    - If they are a line manager, the appraisals for all their team are completed
    - If there is something beyond their control which has stopped them from achieving any of the above, then this will be taken into consideration
- Review of exceptional performance:
    - If the performance of the individual has been exceptional, the Committee will determine whether an additional non-consolidated payment should be awarded

    - If the individual earns above the Prime Minister's salary, the Chair will refer the case to NHS England for review and comment prior to submission to the Department of Health and Social Care for the Secretary of State's opinion
    - Gender pay gap and unconscious bias consideration – the Committee will assure itself that no pay discrimination occurs when determining base pay or performance awards. The Committee will use evidence and test the reliability of that evidence when making decisions. Pay decisions will be based on evidence, experience, competence, skills, responsibility, accountability, and performance.
- The Committee recognises that salary uplifts are not automatic and are dependent on the performance of the Trust and on the performance of the individual being satisfactory
- The Committee retains the right not to award any salary uplifts.

Where any senior manager is paid above £150,000 annum, the Appointments and Remuneration Committee will have satisfied itself that the actual level of remuneration paid is reflective of the individual post holder's level of responsibility and performance and that the remuneration has been considered against appropriate benchmark information, local recruitment market conditions and the need to provide a reward package that ensure the recruitment and retention of high calibre senior executives.

Executive and Very Senior Manager contracts provide for a period of notice of six months on the part of the Trust as agreed by the Appointments and Remuneration Committee. A senior manager may suffer loss of office in a number of situations and in such cases the six-month notice period normally applies, however, the Trust can, at its discretion, choose to make payment in lieu of all or part of the notice period.

Where loss of office is due to circumstances where summary dismissal applies, such as gross misconduct or serious performance failure for example, no notice period would apply. If loss of office was due to redundancy, then the notice period would apply, as would any redundancy provisions applying generally in the NHS at the point in time; the principle being that very senior managers would be treated neither no less nor no more favourably than other Trust staff.

Annual Statement on Remuneration

In December 2018, the Trust commissioned Hays Executive to undertake a review of Executive pay and rewards to provide an independent external view of the current relevant market pay and reward data, taking into consideration of the health sector and direct peer organisations. The review concluded that the remuneration of Executives and Very Senior Managers was broadly in line with other comparable organisations.

The Hays review identified a small gender pay gap in relation to the Director of Nursing role which was traditionally a female role and therefore there was a risk that any national benchmarking data perpetuated the gender pay gap.

The Committee addressed the gender pay gap as part of the Director of Nursing and Therapies recruitment process which concluded in June 2019.

Gender pay reporting occurs each March. Further information about the Trust's gender pay gap can be obtained from Trust's website at:
https://www.berkshirehealthcare.nhs.uk/about-us/equality-diversity-and-inclusion/

The Committee considers the pay and conditions of other employees, for example, the Agenda for Change pay settlement and the current pay settlement for senior civil servants when considering remuneration policy but does not actively consult with employees.

During 2023-24, the Trust did not operate a performance related element to very senior managers' remuneration.

At its meeting on 12 December 2023, the Appointments and Remuneration Committee reviewed the Trust's Remuneration Policy in relation to the practice of awarding non-consolidated pay awards for salaries at or above NHS England's upper quartile benchmarked salaries.

The Appointments and Remuneration Committee noted that NHS England's benchmarked salaries was based on 2016 information and therefore was significantly out of date. It was also noted that NHS England's letter to Trusts recommended a 5% consolidated pay award for staff on very senior manager contracts.

The Appointments and Remuneration Committee agreed to amend the Trust's Remuneration Policy and to award consolidated pay awards (individuals could still opt to receive a non-consolidated pay award if that was their personal preference). The Appointments and Remuneration Committee also agreed that accrued non-consolidated salary would be consolidated each year over the next three years.

After considering NHS England's guidance on very senior managers' pay, NHS England's letter to Trusts dated 19 October 2023 which recommended a 5% consolidated pay award for staff on very senior manager contract, the Appointments and Remuneration Committee agreed to award a 5% consolidated pay award for all staff on very senior manager contracts (that is, the Chief Executive, Executive Directors, Chief Information Officer, Director of People and Director of Finance) backdated to 1 April 2023.

The Appointments and Remuneration Committee reviewed the remuneration of the Chief Financial Officer (appointed in November 2021) and the Chief Operating Officer (appointed in May 2022) and noted that their starting salaries had reflected that this

was their first board appointment and therefore they had both been placed at the lower quartile of the benchmarked salary scale.

The Appointments and Remuneration Committee agreed to award an additional £8,000 per annum salary uplift to both the Chief Financial Officer and the Chief Operating Officer for 2023-24.

The only non-cash element of the most senior managers' remuneration packages is pension- related benefits accrued under the NHS Pension Scheme. Contributions are made by both the employer and employee in accordance with the rules of the Scheme.

All senior managers are employed on service contracts and are substantive Trust employees. Their contracts are open-ended employment contracts which can be terminated by the Trust with six months' notice. Other Trust staff are covered by the terms and conditions of the national NHS Agenda for Change provisions.

All other Trust staff are covered by the national NHS Agenda for Change and Medical and Dental pay and conditions.

The Trust Board sets the organisation's corporate objectives annually and these are used as the basis for developing personal objectives for the Chief Executive and Executive Directors. Performance is closely monitored throughout the year and in the context of annual appraisal.

Mark Day
Chair, Appointments and Remuneration Committee

Details of remuneration and pension benefits for Directors and senior managers are set out in the tables below:

Salaries and Allowances (*the following information is subject to audit)*

				2023/24						2022/23					
Name	Title	From	To	Salary and fees (in bands of £5,000) *	Taxable benefits (total to the nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)**	Total (in bands of £5,000)	Salary and fees (in bands of £5,000) *	Taxable benefits (total to the nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)**	Total (in bands of £5,000)
				£000s	£00s	£000s	£000s	£000s	£000s	£000s	£00s	£000s	£000s	£000s	£000s
Executive Directors															
Tehmeena Ajmal	Chief Operating Officer	01/04/2023	31/03/2024	145 - 150	0	0	0	-	145 - 150	115 - 120	0	0	0	180.0 - 182.5	295 - 300
Julian Emms	Chief Executive	01/04/2023	31/03/2024	230 - 235	0	0	0	-	230 - 235	220 - 225	0	0	0	67.5 - 70.0	285 - 290
Deborah Fulton	Director of Nursing & Therapies	01/04/2023	31/03/2024	160 - 165	0	0	0	200.0 - 202.5	360 - 365	160 - 165	0	0	0	-	160 - 165
Alex Gild	Deputy Chief Executive	01/04/2023	31/03/2024	185 - 190	0	0	0	-	185 - 190	175 - 180	0	0	0	32.5 - 35.0	205 - 210
Paul Gray	Chief Financial Officer	01/04/2023	31/03/2024	145 - 150	0	0	0	130.0 - 132.5	275 - 280	145 - 150	0	0	0	-	145 - 150
Dr Minocher Irani	Medical Director	01/04/2023	31/03/2024	205 - 210	0	0	0	-	205 - 210	195 - 200	0	0	0	117.5 - 120.0	315 - 320
David Townsend	Chief Operating Officer	01/04/2021	13/05/2022	-	-	-	-	-	-	15 - 20	0	0	0	-	15 - 20
Non Executive Directors															
David Buckle	Non Executive Director	01/04/2017	31/05/2022	-	-	-	-	-	-	0 - 5	0	0	0	0	0 - 5
Rebecca Burford [1]	Non Executive Director	01/07/2023	31/03/2024	10 - 15	0	0	0	0	10 - 15	15 - 20	0	0	0	0	15 - 20
Naomi Coxwell	Non Executive Director	13/12/2017	31/03/2024	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Mark Day	Non Executive Director	01/04/2017	31/03/2024	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Martin Earwicker	Chair	01/04/2017	31/03/2024	45 - 50	0	0	0	0	45 - 50	45 - 50	0	0	0	0	45 - 50
Aileen Feeney	Non Executive Director	01/11/2019	31/03/2024	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Rajiv Gatha	Non Executive Director	01/10/2021	31/03/2024	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Sally Glenn	Non Executive Director	01/06/2022	31/03/2024	15 - 20	0	0	0	0	15 - 20	10 - 15	0	0	0	0	10 - 15
Nighat Mian [2]	Non Executive Director	01/06/2015	30/06/2023	0 - 5	0	0	0	0	0 - 5	15 - 20	0	0	0	0	15 - 20

(1) Rebecca Burford was appointed Non Executive Director on the 1st July 2023
(2) Nighat Mian ended their appointment as Non Executive Director on the 30th June 2023

No members of the Trust Board received an annual or long-term performance related bonus in 2023/24 (2022/23 £nil)

Pension Related Benefits are caclulated in accordance with the Finance Act 2004. This is commonly referred to as the "HMRC method". The amount included is based on the increase in the director's accrued pension in the year. This will generally take into account an additional year of service together with any increases in pensionable pay. This amount is then multiplied by 20 to calculate the amount to be included in the Remuneration Report.

Pensions (*the following information is subject to audit)*

Name	Title	From	To	Real increase in pension at pensionable age (bands of £2,500) £,000s	Real increase in pension lump sum at aged 60 (bands of £2,500) £,000s	Total accrued pension at pensionable age at 31 March 2024 (bands of £5,000) £,000s	Lump sum at pensionable age related to accrued pension at 31 March 2024 (bands of £5,000) £,000s	Cash Equivalent Transfer Value at 1 April 2023 £,000s	Real increase in Cash Equivalent Transfer Value £,000s	Cash Equivalent Transfer Value at 31 March 2024 £,000s	Employer's contribution to stakeholder pension £,000s
Executive Directors											
Tehmeena Ajmal (1)	Chief Operating Officer	01/04/2023	31/03/2024	-	32.5 - 35.0	45 - 50	140 - 145	994	151	1,259	0
Julian Emms	Chief Executive	01/04/2023	31/03/2024	-	45.0 - 47.5	85 - 90	230 - 235	1,651	253	2,100	0
Deborah Fulton	Director of Nursing & Therapies	01/04/2023	31/03/2024	10.0 - 12.5	10.0 - 12.5	55 - 60	50 - 55	661	296	1,044	0
Alex Gild (2)	Deputy Chief Executive	01/04/2023	31/03/2024	-	30.0 - 32.5	50 - 55	145 - 150	952	110	1,170	0
Paul Gray (3)	Chief Financial Officer	01/04/2023	31/03/2024	5.0 - 7.5	47.5 - 50.0	40 - 45	115 - 120	533	300	906	0
Dr Minocher Irani	Medical Director	01/04/2023	31/03/2024	-	45.0 - 47.5	80 - 85	220 - 225	1,731	196	2,130	0

(1) Tehmeena Ajmal opted out of the NHS Pension Scheme on the 1st January 2024
(2) Alex Gild was opted out of the NHS Pension Scheme for the period from 1st April 2023 to 30th September 2023
(3) Paul Gray opted in to the NHS Pension Scheme from the 1st April 2023 having previously opted out from the 1st October 2021. For the period from 1st October 2021 to 31st March 2023, the pension was frozen with no increase or decrease in benefits

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

Cash Equivalent Transfer Values

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 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.

Following the government's announcement that all public sector pension schemes will be required to provide the same indexation on the Guaranteed Minimum Pension (GMP) as on the remainder of the pension, the NHSPS has revised its method to calculate the CETV values. The real increase in CETV will therefore be impacted as it will include any increase in CETV due to the change in GMP methodology

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

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 scheme or arrangement) and uses common market valuation factors for the start and end of the period. Where a member has a CETV of £0 the member has reached Normal Retirement Age.

McCloud Judgement

The 'McCloud judgment' was a Supreme Court case in which the Court ruled that the additional final salary protections that were given to certain older members of public service pension schemes were age discriminatory. The judgement applies to all public service pension schemes, including the Local Government Pension Scheme ('LGPS'), and the inequalities identified must be remedied.

Due to the NHS Pensions "Roll Back" relating to the McCloud remedy, some of the above staff have had their pensions adjusted by moving 7 years of the 2015 Pension back into either the 1995 or 2008 sections of the pension, thus giving significant increases in that pension and a significant reduction in the 2015 figures in comparison to last years figures quoted.

Tehmeena Ajmal, Julian Emms, Alex Gild, and Dr Minocher Irani are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

Fair Pay Disclosures

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in the organisation in the financial year 2023/24 was £230K-£235K (2022/23, £220K-£225K). This is a change between years of 5% (2022/23, 3.41%).

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

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £0 - 5K to £295K - £300K (2022/23, £0 - £5K to £265K - £270K).

The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 8.79 (2022/23, 7.10%)

Two (2) employees received remuneration more than the highest-paid director in 2023/24 (2022/23, 3)

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

2023/24	**25th Percentile**	**Median**	**75th Percentile**
Salary Component of Pay	£230K - £235K	£230K - £235K	£230K - £235K
Total pay and benefits excluding pension benefits	£29,475	£39,598	£52,030
Pay and benefits excluding pension: pay ratio for highest paid director	7.89: 1	5.87: 1	4.47: 1

2022/2023	**25th Percentile**	**Median**	**75th Percentile**
Salary Component of Pay	£220K - £225K	£220K - £225K	£220K - £225K
Total pay and benefits excluding pension benefits	£27,565	£37,793	£49,105
Pay and benefits excluding pension: pay ratio for highest paid director	7.99: 1	5.89: 1	4.49: 1

The change in the Median ratio from 5.89:1 to 5.87:1 is arising from the following factors:

- The composition of the general workforce has changed, with a decrease in temporary staffing (Bank and Agency) to £25.5m in 2023/24 (2022/23: £31.1m). Bank and agency costs as a percentage of total pay was 9.2% in 2023/24 compared to 13.5% in 2022/23.

- The median national pay award for NHS staff in 2023/24 was 5%, however, those at the lower Agenda for Change bandings received a pay award of 10.4% increase on 2022/23. The uplift in annual salary for the highest paid Executive Director from 2022/23 to 2023/24 was 5% (2021/22 to 2022/23, 3.41%) against basic salary.

- Some staff will have been entitled to receive an increment for progression through the Agenda for Change pay band which would increase their basic salary beyond the 5% national pay award.

The Trust believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

Julian Emms
Chief Executive
19 June 2024

Staff Report

We are in the final year of our three-year Trust People Strategy which was developed and aligned with the NHS People Promise.

People Strategy Key Priorities

This strategy aims to make the Trust Outstanding for Everyone and will be refreshed and relaunched in 2024 to reflect the new Trust Strategy and the new NHS Workforce Plan. The strategy will continue to frame a programme of work to address our workforce challenges and deliver continued improvements to our staff experience.

Following some difficult years for our staff during and post the pandemic, it has been good to see several indicators showing that this focus on our staff experience continues to pay dividends. We are delighted that Berkshire Healthcare has again had one of the highest engagement scores in the national NHS Staff Survey with an increase this year to 7.5, from 7.4 previously.

We were also the top community and mental health trust for staff recommending us as a place to work. This score reflects the hard work and dedication of our supervisors and managers who care for their staff every day. Whilst this is a score to be proud of, we do recognise that too many of our staff, particularly those with protected characteristics, still have a poorer experience at work. This is not acceptable, and we continue to actively understand where that is happening and to proactively address issues that come to our attention. To address the specific inequalities that face our ethnically diverse staff, this year we launched our Board Sponsored Anti-Racism Action Plan. Our work to address inequalities including our anti-racism work is outlined in more detail in the Equality, Diversity and Inclusion section of the annual report.

We identified four key workforce challenges to address this year:

The Supply of Clinical Staff

We are operating in an environment of specific workforce shortages in key clinical areas. Student numbers are declining in physical health nursing and whilst we have

seen an increase in registrations for Mental Health nursing degrees, nationally, the student numbers still do not match the number of leavers from these roles.

Despite the challenges in recruiting to staff groups such as nursing and midwifery the Trust has increased its clinical and, to a lesser extent, non-clinical staff in post from 4,968 March 2023 to 5,221 February 2024 – that is an increase of 253 staff or 5% of our workforce. Due to the cost of living in Berkshire, we also face pressures attracting and retaining staff. Students, candidates and existing staff are often attracted to trusts offering recruitment incentives and in London where higher cost of living premiums are available.

To address our short-term shortages, we continued our successful international recruitment programme which has helped us close nursing gaps in our community inpatient wards. We are now delighted to see some of our international nurses developing their careers with us as they successfully apply for promotions in the Trust.

The Trust has also invested in growing our own staff by supporting them to complete apprenticeships to provide a longer-term pipeline of staff, particularly for roles where there are national clinical shortages. We now have 83 learners actively on clinical apprentices including registered nurses, occupational therapists, speech and language therapists with 28 apprentices qualifying this year and twenty more predicted to qualify in 2023/4.

Our recruitment team have had a difficult year with a major national outage of TRAC (online recruitment system) disrupting our systems for over a month. Despite this, the trust achieved a 4-year peak, often in hard to fill Allied Health Professionals roles with 92 hires.

We are delighted that increasing numbers of our placement students are accepting roles with our trust with over a 300% increase in the number of nursing students joining us in 2023 compared to 2021. This is a testament to the investment in time and training that our services and clinical education teams make to support and develop our future clinical staff.

High Turnover of Staff

Following high levels of turnover in 2022, we agreed a focused programme of retention work. Our turnover peaked at 17.02% in August 2022 (in line with peaks across the NHS). Since then, we have seen our turnover steadily decline in the Trust, and at a faster

pace than our local partners. The Trust is currently experiencing its lowest turnover rate in recent years and our current turnover rate is lower than the 12.45% achieved in March 2021 during the Covid Pandemic standstill period.

- Achieved the lowest turnover in four years (12.33% in January 2024), excluding the post-COVID standstill period.
- Transitioned from the worst to the top-performing trust within the Integrated Care Systems in terms of turnover to the best.
- Reduced leavers across all services, staff group and nearly all bands

Inequalities in Staff Progression

In addition to our commitment to our wider equality, diversity and inclusion work, we continue to look at ways to support internal career progression for our own staff as well as reducing inequalities in staff progression for those with protected characteristics, particularly regarding race as displayed through our staff survey results, Workforce Race Equality (WRES) data and ethnicity pay gap. We have developed a new approach to talent management for our senior leadership cohort and are actively addressing inequalities in progression for our ethnically diverse staff through our anti racism work. Our next step is to widen our support to staff and develop a more structured approach to career progression that recognises and addresses any inequalities in progression, enabling all our staff to have fulfilling careers within the Trust.

Staff Experience

We know that good staff experience leads to better patient outcomes. Consequently, we continue to focus on equality, diversity and inclusion, as we know that truly including people is pivotal for creating a positive sense of belonging, staff engagement, staff experience, and ultimately helps us to attract and retain our staff. Please see the Equality, Diversity and Inclusion section for a more in-depth look at how we have developed the staff experience this year.

Critical to any staff experience is the influence, competence and support of line managers and we are fortunate to have many outstanding, well trained line managers working in the Trust as evidenced by our latest national NHS Staff Survey results, we scored 7.5 for the 'compassionate manager' theme. However, we recognise that pausing our leadership development training during the COVID-19 pandemic means that there is a backlog of managers needing more training and support.

Our nationally recognised Compassionate Leadership programme was suspended during Covid, so we used the time to refresh and update our leadership development offer with our new Leading for Impact programme relaunched this year with very positive feedback so far. We have also introduced a coaching network made up of 20+ accredited coaches, which all staff can access as part of their development.

We also continue to understand and address wider causes of poor staff experience including reports of physical and verbal abuse and bullying towards our staff. This year,

we undertook a Trust baseline review against the national violence prevention and reduction standards and the new Sexual Safety Charter which we signed in September, and many gaps and actions have been identified to take forward. We are working closely with Thames Valley Police with a new Criminal Justice Panel to address incidents of unacceptable abuse against our staff and have introduced a no tolerance of abuse statement which is being embedded across the Trust in communications to patients and service users.

Training and Clinical Education

The Trust ensures that all its staff have the appropriate skills, training and support for their roles through our recruitment processes and ongoing training programmes. This year we have focused on reviewing our essential skills training we require of our staff to ensure that this remains appropriate for the changing demands on our staff. We have also launched the first phase of online Oliver McGowan training (learning disability and autism awareness training) to our staff and have a compliance rate of over 86% for completion.

To support the retention of our staff, we are also developing competency-based progression pathways for clinical roles. This will enable us to identify the pools of internal candidates ready for promotion into new roles and support the development and provide fair, open and inclusive career pathways for our clinical staff.

Staff experience and engagement

For the last several years, staff engagement has been a strategic organisational development objective for Berkshire Healthcare. We recognise the importance of high levels of staff engagement as a direct contributor to, not only patient care, the patient experience and high-quality clinical outcomes, but also to the ability to recruit and retain our workforce.

Our approach is multi-faceted including the National NHS Staff Survey and quarterly surveys. We host a monthly all staff briefing where anyone can ask questions and they are either answered directly or in a you said, we did section the next month. Our 'Bright Ideas' programme enables everyone to submit an idea that could improve staff or patient experience and have it reviewed centrally. Finally, we have just hosted a 'Big Conversations' programme. These 'Big Conversations' bring staff together to have their say and to discover what matters to them most.

'Big Conversations' are a part of our 'Listening into action' programme. And it is all about engaging and empowering our staff through a 'Big Conversation,' ensuring they have ownership and a voice in everything we do and all the improvements we make when tackling widespread challenges. It creates a framework in which small steps can be made starting with one 'Big Conversation.' Listening to the feedback from 'Big Conversations' is central to informing future improvements and changes. This is where the Title 'Listening into Action' was born. We listen to you, and your feedback produces the actions made.

Our goal is to maintain and improve our high levels of staff engagement, however we recognise that there are some groups of staff that have a significantly worse experience than their colleagues. Our priority therefore is to address this inequality in experience and our anti-racism action plan is critical to addressing this.

National NHS staff survey

The National NHS staff survey is conducted annually. From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise' and retains the two previous themes of engagement and morale. These replaced the ten indicator themes used in 2020/21 and earlier years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

The response rate to the 2023/24 survey among trust staff was 66.8% (2022/23: 64.95%).

We measure our performance against the NHS People Promise elements and themes and will continue to do this in 2024/25. Scores for each indicator together with that of the average for the survey benchmarking group (Mental Health & Learning Disability and Mental Health, Learning Disability & Community Trusts) are presented below.

Indicators ('People Promise' elements and themes)	**2023/24**		**2022/23**		**2021/22**	
	Trust score	Benchmarking Group (average)	Trust score	Benchmarking Group (average)	Trust score	Benchmarking Group (average)
People Promise:						
We are compassionate and inclusive	7.80	7.53	7.75	7.54	7.74	7.52

We are recognised and rewarded	6.60	6.41	6.46	6.29	6.53	6.35
We each have a voice that counts	7.27	7.01	7.27	6.97	7.26	7.40
We are safe and healthy	6.56	6.38	6.45	6.24	6.40	6.22
We are always learning	6.33	5.93	6.12	5.72	6.06	5.64
We work flexibly	7.09	6.84	6.97	6.75	6.90	6.71
We are a team	7.34	7.18	7.27	7.10	7.26	7.06
Staff engagement	7.45	7.11	7.44	7.05	7.41	7.03
Morale	6.42	6.17	6.27	6.04	6.24	6.02

We are delighted, that our staff have given us the best staff engagement score for any combined community and mental health trust at 7.5 (joint with one other trust) that we have remained the top scoring trust within our peer groups for recommending the organisation as a place to work for the fifth year running.

Regarding our response rate, we saw another increase in the number of staff participating in the Staff Survey, with an additional 250 people taking the time to tell us what it feels like to work at Berkshire Healthcare. Our percentage response rate is now 67% which remains 15% above the average for our comparator group.

When we look at areas of improvements or deterioration at question level, there have been 28 statistically significant increases this year and 3 statistically significant declines (see overleaf) in this year's national NHS Staff Survey. We will be working to understand and address the reasons for these declines as part of our response to the national NHS Staff Survey results.

This is compared to only 3 statistically significant increases in the previous year. The questions cover 13 out of 21 sub-scores so show a broad pattern of improvements across the board and 24 of the 28 questions are significantly above the comparator average as well. With all our people promise elements/themes also above the comparator average, this shows a strong picture.

Significant declines

Berkshire Healthcare NHS Foundation Trust

Across all the questions asked in both 2022 and 2023, there were three that saw a **statistically significant decrease** since last year.

	2022	2023
Time often/always passes quickly when I am working	80.5%	**77.8%**
Feel a strong personal attachment to my team	70.7%	**68.2%**
Would feel confident that organisation would address concerns about unsafe clinical practice	73%	**70.6%**

With these positive results across the board, our key areas for improvement fall into two categories. Firstly, there is a wide variation in scores between services and teams and so although on average, we are performing well, we know that this is not the experience of all our teams.

The second category again looks specifically staff experience for those with protected characteristics. Our data shows good trends in this area but that the inequality and difference in experience remains.

Future priorities and targets

Our priority areas for the coming year(s) reflect the key areas for improvement as indicated above – a focus on service/team level outcomes and supporting those with the lowest scores and working on our equality, diversity and inclusion programmes to ensure that Berkshire Healthcare is a great place to give care – for everyone.

For the focus on service/team level outcomes, we will be identifying the teams within the trust with the lowest staff engagement score and targeting work through both the operational teams and Human Resources Business Partners. Actions will vary depending on the analysis of the wider data set to show what is driving the lower scores. This will be monitored through regular reporting from the HR Business Partners and be communicated back to staff through our annual, local you said, we did campaign.

With the inequalities of experience for staff in certain demographics, this links in with our wider Equality, Diversity and Inclusion programmes of work including anti-racism and sexual safety. More information about this work and the monitoring of it can be found in the relevant sections.

Talent and Leadership

We are pleased to have scored well under the leadership theme of the staff survey. 7.5 for the 'compassionate manager' theme versus a top score in our comparison group of 7.7 and 7.4 for line management versus a top score of 7.5. We paused our leadership development training during Covid but have now relaunched our refreshed leadership development offer and we hope this will continue to support increasing scores in the compassionate manager theme.

Pay Gap Reporting

In addition to statutory gender pay gap reporting, we voluntarily introduced ethnicity and disability pay gap reporting. Pay gap data is based on the hourly pay of our colleagues on the snapshot date of 31st March. Pay gaps are persistent unacceptable differences between mean and median rates of pay with complex causes influenced by social issues. We pay our colleagues using Agenda for Change National Pay framework and are confident people are paid equally for doing equivalent jobs. A considerable factor that can influence pay gaps is lack of proportionate representation in senior positions and overrepresentation of minoritised colleagues in lower paid roles. Legacy bonus contractual factors can also influence the outcome. There is some unknown data for ethnicity and disability compared to gender data, but it is possible to see an indication of our gaps based on existing known data.

Table 4. Gender comparison 2021 – 24

Gender	2021/22	2022/23	2023/4
Mean	20.45%	16.96%	15.54%
Median	17.01%	16.46%	13.25%

Our mean disability pay gap for 2022 was -0.3% and our median gap was -4.95%. This gap is in favour of disabled people. Our mean ethnicity pay gap for 2022 was -1.93% and our median gap was 3.59%. The former is in favour of ethnically diverse colleagues and the latter is not. Upcoming 2023 pay gap reports for disability and ethnicity are in development and will be available soon. In the meantime, we continue to build on our activity to address gaps.

Our Pay Gap Priorities 2023:

- Inclusive Recruitment: explored sharing interview questions in advance and expanded interview question bank to improve standards of hire around inequality and anti-racism competence and experience.
- Pay and Reward: explored opportunities within national guidance for Local clinical excellence awards to ensure the reduction of the pay gap year on year, while remaining constrained by NHS Terms and Conditions. Continued joint meetings discussing matters around pay and reward.
- Learning and Development: developed leadership programme embedding inclusion and offered inclusion-based webinars. Created a career progression tip

webinar to support minoritised colleagues at lower bands in applying for higher positions.

- Culture and Engagement: shared pay gap reports and action plans with staff networks. Introduced an Equality Network Steering Group to enhance cross-collaboration and joint working.
- Ways of Working: Explored competency-based progression approaches, developed behaviour framework, and launched an Anti-Racism workstream to address recruitment, progression, retention, and conditions.
- Exploration of Women's Network: Launched Women's Network in March to address gender inequality, support peer-to-peer support, and discuss work-life balance, flexible working, women's health, and promotion opportunities.

Analysis of Staff Costs

Analysis of staff costs between permanently employed and other staff. Permanently employed staff are those with a permanent (UK) employment contract with the Trust. Other staff include those who do not have a permanent (UK) employment contract and includes bank, agency staff and other temporarily employed staff.

	Permanent £000	Other £000	2023/24 Total £000	2022/23 Total £000
Salaries and wages	190,445	-	**190,445**	**177,716**
Social security costs	19,164	-	**19,164**	**19,590**
Apprenticeship levy	895	-	**895**	**883**
Employer's contributions to NHS pensions	33,595	-	**33,595**	**32,093**
Pension cost - other (NEST)	46	-	**46**	**73**
Other employment benefits	-	-	**-**	**(131)**
External Bank Staff	-	26,214	**26,214**	**23,152**
Agency/contract staff	-	8,268	**8,268**	**7,928**
Total staff costs	**244,145**	**34,482**	**278,627**	**261,304**
Included within:				
Costs capitalised as part of assets	711	-	**711**	**410**
Total employee benefits excl. capitalised costs*	**243,434**	**34,482**	**277,916**	**260,894**

Staff numbers (the following information is subject to audit)

Average number of employees (whole time equivalent basis)

	Permanent Number	Other Number	2023/24 Total Number	2022/23 Total Number
Medical and dental	185	19	**204**	**205**
Ambulance staff	-	-	**-**	**3**
Administration and estates	647	31	**678**	**652**
Healthcare assistants and other support staff	1,430	298	**1,728**	**1,620**
Nursing, midwifery and health visiting staff	1,103	146	**1,249**	**1,245**
Nursing, midwifery and health visiting learners	20	-	**20**	**19**
Scientific, therapeutic and technical staff	945	48	**993**	**908**
Healthcare science staff	13	-	**13**	**9**
Other	1	-	**1**	**-**
Total average numbers	**4,344**	**542**	**4,886**	**4,661**
Of which:				
Number of employees (WTE) engaged on capital projects	9	-	**9**	**5**

Payments and Trade Union Time

Table 1 - Total number of employees who were relevant Trade Union officials during 2023-24

Number of employees who were relevant Trade Union officials during 2023-24	Full-time equivalent employee number
22	18.5

Table 2 - Percentage of time spent on facility time

Percentage of time relevant Trade Union officials employed by the Trust during 2023/2024 spent working on facility time:

Percentage of time	Number of employees
0%	0
1-50%	21
51-99%	0
100%	1 (staff side chair)

Table 3 - Percentage of pay bill spent on facility time

The percentage of the total pay bill spent on paying employees who were relevant Trade Union officials for facility time during 2023/2024:

First Column in Table 2 above	Figures
Total cost of facility time	£31083
Total pay bill	£278,105,000 (per annum)
The percentage of the total pay bill spent on facility time.	<0.01%

The Trust does not allow Trade Union representatives to attend meetings during work time which are defined by ACAS as: “time for which there is no specific right to be paid including meeting full-time officers, attending regional or branch meetings.”

The following is subject to audit

Reporting of Compensation Schemes - Exit Packages 2023/24

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	1	5	**6**
£10,001 - £25,000	1	-	**1**
£25,001 - 50,000	-	1	**1**
£50,001 - £100,000	1	-	**1**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**3**	**6**	**9**
Total resource cost (£)	112,000	50,000	**162,000**

Reporting of Compensation Schemes - Exit Packages 2022/23

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	1	1	**2**
£10,001 - £25,000	1	-	**1**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
Total number of exit packages by type	**2**	**1**	**3**
Total resource cost (£)	24,000	4,000	**28,000**

Exit packages: other (non-compulsory) departure payments

	2023/24		2022/23	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	
Mutually agreed resignations (MARS) contractual costs	-	-	-	-

Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	6	50	1	4
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**6**	**50**	**1**	**4**

Off Payroll Arrangements Disclosure

The NHS Foundation Trust reports arrangements whereby individuals are paid through their own companies (and so are responsible for their own tax and national insurance arrangements, not being classed as Trust employees). The costs of these off-payroll engagements are recorded in the expenditure of the Trust, within consultancy costs. The Trust made zero "off payroll" payments from 1 April 2023 to 31 March 2024. The Trust's disclosure is below:

Highly paid off-payroll worker engagements as of 31 March 2024 earning £245 per day or greater

Number of existing engagements as of 31 March 2024	**0**
Of which...	
Number that have existed for less than one year at time of reporting.	0
Number that have existed for between one and two years at time of reporting.	0
Number that have existed for between two and three years at time of reporting.	0
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	0

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024 earning £245 per day or greater.

Number of off-payroll workers engaged during the year ended 31 March 2024	**0**
Of which:	
Not subject to off-payroll legislation *	0
Subject to off-payroll legislation and determined as in-scope of IR35 *	0

Number of off-payroll workers engaged during the year ended 31 March 2024	**0**
Subject to off-payroll legislation and determined as out-of-scope of IR35 *	0
Number of engagements reassessed for compliance or assurance purposes during the year	0

Of which: number of engagements that saw a change to IR35 status following review	0

* A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Trust must undertake an assessment to determine whether that worker is in scope of Intermediaries legislation (IR35) or out- of-scope for tax purposes

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

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

Sickness Absence Figures

The Trust's Sickness Absence Figures are below and are also published on the NHS

Sickness Figures for 2023/24

	Target	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Sickness Rate %	<3.5%	3.7%	4.0%	3.8%	3.9%	3.7%	3.9%	4.6%	4.6%	4.6%	4.8%	4.1%	3.7%

They are also published on the NHS Digital website at: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Modern Day Slavery Statement

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and sets out the steps that Berkshire Healthcare NHS Foundation Trust has taken, and is continuing to take, to make sure that modern slavery or human trafficking is not taking place within our business or supply chain during the year ending 31 March 2024.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Berkshire Healthcare has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the Trust or our supply chain.

Our Policies on Slavery and Human Trafficking

Berkshire Healthcare is aware of our responsibilities towards patients, service users, employees and the local community and expects all suppliers to the Trust to adhere to the same ethical principles. We are committed to ensuring that there is no modern

slavery or human trafficking in our supply chains or in any part of our business. Our internal policies replicate our commitment to acting ethically and with integrity in all our business relationships.

Standard NHS Contracts and the Trust's contract specifications contain a provision around Good Industry Practice to ensure each supplier's commitment to anti-slavery and human trafficking in their supply chains; and that they conduct their businesses in a manner that is consistent with Berkshire Healthcare's anti-slavery policy. In addition, an increasing number of suppliers are implementing the Labour Standards Assurance System (LSAS) as a condition of contract for tenders within high-risk sectors and product categories and indeed this has been referenced in the Government's Modern Slavery Strategy. Many aspects of the LSAS align to the seven reporting areas that the Government has outlined and should appear within any slavery and human trafficking statement.

We operate several internal policies which ensure we are conducting business in an ethical and transparent manner. These include:

- **Recruitment** - We operate a robust recruitment policy, including conducting eligibility to work in the United Kingdom checks for all directly employed staff. Agencies on approved frameworks are audited to provide assurance that pre-employment clearance has been obtained for agency staff, to safeguard against human trafficking or individuals being forced to work against their will.
- **Fair and Equitable Employment Terms** - We have a range of controls to protect staff from poor treatment and/or exploitation, which complies with all respective laws and regulations. These include provision of fair pay rates, fair terms and conditions of employment, and fair access to training and development opportunities.
- **Safeguarding** - We adhere to the principles inherent within both our safeguarding children and adults' policies. These are compliant with the Berkshire multiagency agreements and provide clear guidance so that our employees are clear on how to raise safeguarding concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain.
- **Whistleblowing** - We operate a whistleblowing/raising concerns policy so that everyone in our employment knows that they can raise concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain, without fear of reprisals, and the various ways in which they can raise their concerns.
- **Standards of business conduct** - This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to act.

Our approach to procurement and our supply chain includes:

- Ensuring that our suppliers are carefully selected through our robust supplier selection criteria/processes.

- Requiring that the main contractor provides details of its sub-contractor(s) to enable the Trust to check their credentials.
- Ensuring invitation to tender documents contain a clause on human rights issues.
- Ensuring invitation to tender documents also contains clauses giving the Trust the right to terminate a contract for failure to comply with labour laws.
- Using the standard Supplier Selection Questionnaire that has been introduced (which includes a section on Modern Day Slavery), Trust staff must contact and work with the Procurement department when looking to work with new suppliers so appropriate checks can be undertaken.
- Supplier adherence to our values. We are zero tolerant to slavery and human trafficking and thereby expect all our direct and indirect suppliers/contractors to follow suit.
- Where it is verified that a subcontractor has breached the child labour laws or human trafficking, then this subcontractor will be excluded in accordance with Regulation 57 of the Public Contracts Regulations 2015. The Trust will require that the main contractor substitute a new subcontractor.

Training

Advice and training about modern slavery and human trafficking is available to staff through our mandatory safeguarding children and adults training programmes, our safeguarding policies and procedures, and our safeguarding leads. It is also discussed at our corporate induction training which is mandatory for all our new starters. We are looking at ways to continuously increase awareness within our organisation, and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking in our supply chains and in our business.

Our Performance Indicators

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if there are no reports received from our staff, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Anti-Crime Activity

The Trust operates a robust arrangement for minimising the risk of fraud and meets the requirements of the Secretary of State that each health body nominate an officer to act as its Local Anit-Crime Specialist. As well as handling suspected cases of fraud, the service provides awareness and educational support to help embed an ‘anti-fraud’ culture throughout the organisation. There is a clear policy on counter fraud together with other provisions to support staff in raising concerns about possible fraudulent activity.

Health and Safety

The Trust’s arrangements for the health and safety of staff, patients, visitors and others are set out in a clear organisational policy that emphasises the organisation’s

commitment to providing a safe place to work and a healthy environment for all.

A comprehensive suite of policies and procedures are in place to ensure that risks to the health and safety of all are minimised and these policies and procedures are reviewed regularly to ensure the effectiveness of the Trust's health and safety management system. The Trust produces an Annual Health and Safety report, which reviews the Trust's performance on a range of categories, comparing results to the previous year and national figures. Key points of note include:

- The Trust received no Enforcement Notices from the Health and Safety Executive or from the Local Authorities in 2023.

- There were eleven incidents reported under the RIDDOR regulations in the year 2023, (with no false reports) showing an increase of seven incidents compared to 2022. The highest number of incidents (six) occurred in the Slips, Trips and Falls category – where all six incidents were staff injuries.

- During 2023, the Trust reported 809 physical assaults against staff. This is a decrease of 121 (13%) compared to 2022. The Trust also reported 925 non-physical assaults against staff, a decrease of 152 (14%) on the previous year.

- During 2023, the Royal Berkshire Fire and Rescue Service undertook four fire safety visits to ensure that the Trust was compliant with the Regulatory Reform (Fire Safety) Order 2005.

- There were two cases of arson reported for 2023, and eleven cases of a risk of fire being identified. Six out of eleven of the incidents were community based with the remainder being on Trust property. Three of the eleven incidents occurred at Prospect Park Hospital which is the same number of Prospect Park Hospital incidents for this category as for the previous year.

- Compliancy in statutory training: Fire Awareness – the number of staff trained throughout 2023 has averaged 92.71%. This is a 1.04% increase from last year (2022 average = 91.67%). This falls 2.29% short of the Trust's fire training target of 95% compliance.

- Compliancy in statutory training: Health & Safety - the number of staff trained throughout 2023 has averaged 96.25 % (0.5 % increase). This is above the Trust's target of 90% compliance.

Julian Emms
Chief Executive
19 June 2024

COUNCIL OF GOVERNORS

The Trust's Council of Governors plays a crucial role in the governance of the Trust providing a forum through which the Trust Board is accountable to the local community. The Council discharge a number of key responsibilities including:

- Representing the interests of the Trust's members and stakeholder organisations in the governance of the Trust
- Appointing or removing the Chair and other Non-Executive Directors
- Approving the appointment (by the Non-Executive Directors) of the Chief Executive
- Deciding the remuneration, allowances and other terms and conditions of office of the Chair and other Non-Executive Directors
- Holding the Non-Executive Directors to account for the performance of the Board
- Considering the annual accounts, plus any reports of the external auditors on them and the annual report
- Appointing the External Auditors
- Developing and approving the Trust's membership strategy
- Providing views to the Trust Board on the Trust's forward planning
- Undertaking functions requested from time to time by the Trust Board
- Attending events in order to engage with members and the public
- Attendance at the Annual Members Meeting.

Membership of Council

During 2023-24 there were 32 positions on the Council of Governors:

- 23 elected from the public and staff constituencies
- 9 appointed from local authorities, universities and voluntary organisations

The elected governors were drawn from the following constituencies:

- Public constituency – total of 19
- Staff constituency – total of 4

Public and Staff Governors are elected to serve for three years. Individuals can stand for re-election at the end of their term for a maximum of three terms (nine years).

Appointed Governors are appointed by their individual organisations in accordance with the respective organisation's appointment to external bodies processes.

The annual election of Lead and Deputy Lead Governor also took place in September 2023 with Governors appointing Brian Wilson as Lead Governor and appointing Jon

Wellum as Deputy Lead Governor.

The following table shows the attendance record of Governors at Council meetings during the year.

The meetings were held virtually.

Name	Constituency	Meetings attended/possible
Graham Bridgman	Public – West Berkshire	4/4
Ros Crowder	Public – West Berkshire	4/4
Ian Germer	Public – West Berkshire	2/4
Madeline Diver	Public – Bracknell	4/4
Rosemary Stent	Public – Bracknell	0/4
Brian Wilson	Public – Bracknell	4/4
Sarah Croxford	Public – Windsor, Ascot and Maidenhead	3/4
Tom O'Kane	Public – Windsor, Ascot and Maidenhead	2/4
Natasha Afful	Public – Slough	0/4
Steven Gillingwater	Public – Slough	1/4
Nigel Oliver	Public – Slough (from 01.07.23)	0/3
Debra Allcock-Tyler	Public – Wokingham	2/3
Baldev Sian	Public – Wokingham	3/4
John Jarvis	Public - Wokingham	3/4
Jon Wellum	Public - Reading	3/4
Paul Myerscough	Public – Reading (until 31.08.23)	0/1
James Cuggy	Public – Reading (from 01/09/23	3/4
Tom Lake	Public – Reading	4/4
Amran Hussain	Rest of England	0/4
Tina Donne	Staff – Clinical	1/4
Natasha Berthollier	Staff - Clinical (until 28.06.23)	0/1
Anne Jumba	Staff – Clinical (from 29.06.23)	2/4
Guy Dakin	Staff – Non-Clinical	3/4
June Carmichael	Staff - Non-Clinical (until 28.06.23)	1/1
Alun Griffiths	Staff – Non-Clinical (from 29.06.23)	1/3
Deborah Edwards	Local Authority - Reading	3/4
Michael Karim	Local Authority - Bracknell	0/4
Anna Wright	Local Authority - Slough	3/4
George Shaw	Local Authority - Windsor, Ascot and Maidenhead	3/4
Jordan Mongomery	Local Authority - Wokingham	1/4
Janine Lewis	Local Authority - West Berkshire	1/4
Arlene Astell	Reading University (until 06.12.23)	0/2
Babs Evetts	Reading University (from 07.10.23)	2/2
Elaine Walsh	British Red Cross	1/4
Charlie Draper	Young People with Dementia	1/3

During 2023-24, there were four formal meetings of the Council which were conducted virtually. Publicity was given through the Trust's website. From September 2020, the recording of the full Council meetings has been published on the Trust's website along with the agenda and meeting papers.

In September 2023, the Trust held a virtual Annual Members Meeting where the Trust's Annual Report and Accounts were presented.

The Council has also put in place a structure of committees and steering groups to help fulfil its duties and each Committee reports back to the full Council at each Council meeting. The Committees/Working Groups are:

- Membership and Engagement Group
- Living Life to the Full Group
- Appointments and Remuneration Committee
- Quality Assurance Group

Working Relations between the Council and the Trust Board

Strong working relationships continue between the Council and Trust Board with regular engagement, involving Executive and Non-Executive Director attendance at Council meetings, joint informal meetings between Council and the Board, including two meetings a year specifically with Non-Executive Directors. The Joint Trust Board and Council of Governors meeting held in November each year focusses on the Trust's forward plan and provides an opportunity for governors to input into the forward plan and to feedback any views from their local communities.

The Chief Executive attends all meetings of the full Council and other Executive Directors attend as and when required. The meetings held with Non-Executive Directors have been useful in supporting Governors to discharge their duty to hold the Non-Executive Directors to account for the performance of the Board and for seeking assurance on service quality and financial sustainability. For new Governors joining the Trust during the year induction training was provided involving the Trust Chair and Company Secretary.

Governors can submit written questions before the informal Joint meetings with the Trust Board and Council of Governors. The Chief Executive and other Executive Directors provide written answers to the questions at the meetings. At each of the four joint meetings, there is a private session whereby small groups of Governors meet with Non-Executive Directors to have informal discussions. This provides an opportunity for Governors to share with Non-Executive Directors the views of members and public about the Trust. The format of this session is café style whereby individual Non-Executive Directors rotate between the Governor groups every 15-20 minutes.

The Chair holds regular informal virtual "Coffee Morning" sessions which are open to all governors. This provides an opportunity for governors to raise issues with the Chair and to discuss relevant issues in between the formal meetings.

Council of Governors and Trust Board Dispute Process

In the event of any dispute between the Council of Governors and the Trust Board, the Chair on the advice of the Company Secretary, and such other advice as the Chair may see fit to obtain, shall seek to resolve the dispute. if the Chair is unable to resolve the dispute, they shall appoint a special committee comprising equal numbers of Directors and Governors to consider the circumstances and to make recommendations to the Council of Governors and the Trust Board with a view to resolving the dispute. If the recommendations (if any) of the special committee are unsuccessful in resolving the dispute, the Chair may refer the dispute back to the Trust Board who shall make the final decision.

The Trust's Constitution sets out the process for the Council of Governors to remove the Trust's Chair and Non-Executive Directors in the event that all other means of engaging with the Trust Board have been exhausted.

Farewell and welcome

In 2023-24 a number of Governors left, and we welcomed others. Whilst it is always disappointing to lose experienced Governors, the Council benefits immensely from the injection of different perspectives and ideas that new Governors bring. Our thanks go to our departing Governors: Paul Myerscough, Public Governor, Charlie Draper, Partnership Governor, Young People with Dementia, Arlene Astell, Partnership Governor, Reading University, Natasa Pentalic, Partnership Governor, Julian Sharpe, Partnership Governor, Natasha Berthollier, Staff Governor and June Carmichael, Staff Governor

We warmly welcomed: James Cuggy, Public Governor, Reading, Sarah Croxford, Public Governor, Windsor, Ascot and Maidenhead, Ian Germer, Public Governor, West Berkshire, Nigel Oliver, Public Governor, Slough, Debra Allcock-Tyler, Public Governor, Wokingham, Babs Evetts, Partnership Governor, Reading University, George Shaw, Local Authority Partnership Governor, Jordan Montgomery, Local Authority Partnership Governor, Anna Wright, Local Authority Partnership Governor, Janine Lewis, Local Authority Partnership Governor, Michael Karim, Local Authority Partnership Governor, Anne Jumba, Staff Governor and Alun Griffiths, Staff Governor.

Governor Expenses

The role of Governor is unpaid; however, they are entitled to claim reimbursement of expenses, such as travel and subsistence costs. During 2023-24 5 governors claimed expenses with an aggregate value of £161.73.

Elections

Public and Staff Governors are elected by the membership of the relevant constituency and they serve for a period of three years. They can be re-elected and can serve for a maximum of nine consecutive years. The following table provides information on the results of Governor Elections held during the year:

Date of Election	Constituency	Election turnout %
May 2023	**West Berkshire**	**Uncontested**
May 2023	**Windsor, Ascot and Maidenhead**	**Uncontested**
June 2023	**Reading**	**4.1%**
June 2023	**Slough**	**4.8%**
June 2023	**Staff – Clinical**	**10.9%**
June 2023	**Staff – Non-Clinical**	**25.8%**

All elections were completed and supervised by Civica Election Services and were conducted in accordance with the Trust's Constitution.

Partnership Governors are appointed by the relevant organisation.

Register of interests

A register of interests is maintained for Governors. It is available by contacting the Trust's Company Secretary.

MEMBERSHIP

Berkshire Healthcare became an NHS Foundation Trust in 2007. Foundation Trust status is only awarded to NHS Trusts which consistently demonstrate the highest standards of leadership and patient care.

As an NHS Foundation Trust, we are required to maintain a membership which is representative of the communities we serve. Our members and governors help us shape our plans and make sure that the services we provide reflect what is needed locally.

Anyone over 12 can become a member of our Trust, although we do not actively recruit anyone under 16. The Marketing and Communications Team is currently responsible for promoting and communicating with our membership. As of March 2024, our total membership is 12,484.

During this period, our focus has been on maintaining membership numbers and incorporating more social media to promote membership within demographics which we are lacking.

Engagement with our members

Over the last year, engagement with our members has included an invitation to attend our Annual General Meeting, quarterly digital newsletters updating members on health topics and news from the Trust, and involvement in Bracknell and Reading Pride, the latter being a key member recruitment event. Our current membership numbers in each local authority are shown below.

Current public membership by local authority area on 5 April 2024

Constituency Breakdown	Public	% of Membership	Base	% of locality
Bracknell	894	12.3	126,147	13.23
Reading	1,699	23.38	172,928	18.13
Slough	672	9.25	158,488	16.62
West Berkshire	724	9.96	161,469	16.93
Windsor and Maidenhead	627	8.63	154,004	16.15
Wokingham	953	13.11	180,830	18.96
Rest of England	1,400	19.27	0	0
Out of Trust Area	298	4.1	0	0
Total	7,267	100	953,866	100

Most of our members live in Berkshire, however a few live further away and have an interest in our organisation. They may be:

- carers who look after or are responsible for someone who uses our services.
- someone who has moved away from the county and wishes to maintain links with us.

These members are part of our 'Rest of England' constituency. The 'Out of Trust Area' category refers to members whose postcodes are not recognised. Our database provider, CIVICA Group, use the Royal Mail Postcode Address File for UK addresses. The table below shows the size of our current membership and the movement in numbers of members compared to 2022-2023.

Public constituency	2022/2023	2023/2024	Percentage change
At year start (1 April)	7,683	7,648	**-0.46%**
New members	86	58	**-32.5%**
Members leaving	133	451	**239%**
At year end (31 March)	7,660	7,267	**-5.13%**
Staff constituency	**2022/2023**	**2023/2024**	**Percentage change**
At year start (1 April)	4,971	5,213	**4.87%**
New members	936	854	**-8.76%**
Members leaving	657	699	**6.39%**
At year end (31 March)	5,152	5,383	**4.48%**

Public membership analysis

The following table shows our public membership by age, ethnicity, socio-economic background, and gender. Membership population figures have been provided by CIVICA Group, our database provider and are taken from the Census.

The index column displays how on target we are with representing the communities we serve. A score under 100 means there is an under representation and a score above 100 indicates an over representation. However, not all members have provided full details to allow for accurate classification, in areas such as ethnicity, many members have stated 'other' as their ethnicity if they do not fall into the White, Black, Asian, or Mixed categories given.

Analysis of our public membership on 5 April 2024

Red indicates under representation in the particular membership category.
Green indicates over representation in the particular membership category.

Age	No. of public members	Population	Index
0-16	7	203,075	1
17-21	60	55,251	14
22+	5,942	695,541	112
Not stated*	1,258	0	0
Gender	**No. of public members**	**Population**	**Index**
Unspecified*	736	0	0
Male	2,360	472,016	66
Female	4,160	481,850	113
Other	11	0	0
Prefer not to say	0	0	0
Ethnicity	**No. of public members**	**Population**	**Index**
Asian	607	162,748	65
Black	245	36,150	95
Mixed	145	33,663	75
Other	1,132	0	0
White	5,134	694,071	94
ONS/Monitor Classifications	**No. of public members**	**Population**	**Index**
AB	1,852	115,832	81
C1	2,036	113,519	91
C2	1,295	67,644	97
DE	1,529	71,320	109
Wellbeing Acorn Group	**No. of public members**	**Population**	**Index**
Health Challenges	565	61,703	118
At Risk	1,294	156,723	108
4Caution	2,130	266,087	105
Healthy	2,779	458,524	79
Not Private Households	101	9,859	134
Not available	403	0	0
Total membership	**7,267**	**958,867**	

Our plans for 2024 -2025

As we are comfortably over the 10,000-member threshold, we will be continuing our focus on recruiting new members from demographics which are underrepresented in our current membership, for example young people and those living outside of Reading.

To do this, we will continue posting on our social media channels and compiling the e-newsletter to maintain levels of engagement and communicate key information to all our members. We will also attend Reading Pride again this year to encourage more members to sign up. Reading Pride always has a diverse attendance which allows us to tap into Berkshire's demographics where we have smaller membership numbers.

To bolster our efforts, we will also be planning a new 'Trust Talk' series, hosted by the Trust virtually and available to all members to join. To attend you must be a member of the Trust and we hope this will encourage new membership. Each talk will home in on a specific topic of interest to our membership demographic and the demographics in which we are aiming to boost membership.

Contacting our Governors or Directors

Details of our Governors, as well as our Executive Directors and Non-Executive Board members, can be found in the 'About us' section of our website: www.berkshirehealthcare.nhs.uk

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Governors and Board Members can be contacted via the Company Secretary at: trustboard@berkshire.nhs.uk

PUBLIC DISCLOSURES

Accounts note

NHS England has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2023-24 NHS Foundation Trust Annual Reporting Manual issued by NHS England. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Government Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied

consistently in dealing with items considered material in relation to the accounts.

Cost allocation

Berkshire Healthcare NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Berkshire Healthcare NHS Foundation Trust

Annual accounts for the year ended 31 March 2024

Foreword to the accounts

Berkshire Healthcare NHS Foundation Trust

These accounts, for the year ended 31 March 2024, have been prepared by Berkshire Healthcare NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006

Signed ……

Name **Julian Emms**
Job title **Chief Executive Officer**
Date **19th June 2024**

Statement of accounting officer's responsibilities

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

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

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

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

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

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

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

Julian Emms, Chief Executive Officer
Date: 19th June 2024

Annual Governance Statement

Scope of Responsibility

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Berkshire Healthcare NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in Berkshire Healthcare NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The existing comprehensive Risk Management Strategy has been reviewed and approved by the Executive and the Board. It has been disseminated through the Trust. The Chief Financial Officer and Director of Nursing and Therapies provide overall leadership for integrated governance at Board level. The Medical Director is the Caldecott Guardian. The Deputy Chief Executive is the Senior Information Risk Owner.

The Chief Executive chairs the monthly Business, Finance & Strategy Executive Committee and the Executive Quality and Performance Committee. Both these committees include the Chief Financial Officer who is Chair of the Non-Clinical Risk Management Committee, and the Director of Nursing and Therapies who is Chair of the Safety, Experience & Clinical Effectiveness Group together with the rest of the Executive Directors and senior management representatives. The Board Assurance Framework (BAF) and Corporate Risk Register (CRR) is reviewed at the Business, Finance & Strategy Executive Committee bi-monthly, with clinical and operational risks also being reviewed in the Executive Quality and Performance Committee.

The Executive routinely oversees the effectiveness of all other Committees within the governance structure through the receipt of minutes and reports via each of the two Formal Executive Committees (Business, Finance and Strategy, Quality and Performance). The Trust operates in a complex environment with many services dispersed around the county. Each service has its own Risk Register regularly reviewed through line management arrangements. Performance, Patient Safety & Quality Groups (PPSQs) monitor the divisional risk registers and Operational Leadership Team, chaired by the Chief Operation Officer, reviews new risks or changes to rating. Directors leading corporate services have the responsibility for ensuring similar Risk Registers are in place for support services. Escalation of appropriate local service level risks to the CRR is undertaken if necessary following review by the relevant Executive Director.

Risk Management training is part of the corporate induction for all new staff. In addition, all existing staff are required to undertake all mandatory training in the year, to comply with the CQC's Essential Standards

of Care; this training includes Fire Awareness, Lifting and Handling and Health & Safety. Clinical staff undertake additional clinical mandatory training, which includes an update on clinical risk management.

All Policies and Procedures are published on the Trust intranet and are available to all staff. Relevant Policies include as example, Serious Untoward Incidents, Health and Safety, Infection Control, Information Governance and Freedom to Speak Up: Raising Concerns (Whistle Blowing) policy.

The Trust Audit Committee as the senior Board Sub Committee responsible for corporate governance assurance continues to review risk reporting and risk management and has done so during 2023/24. The Audit Committee continues to seek best practice guidance and received further assurance from internal audit review of the Trust's Risks Management procedures.

The Risk and Control Framework

The Trust's Risk Management Strategy seeks to minimise risk to the Trust's stakeholders through a comprehensive system of internal controls, risk management and assurance processes, whilst maximising the potential for flexibility, innovation, and best practice in the delivery of its strategic objectives. It seeks to deliver high quality, safe services for service users and secure the health, safety, and welfare at work of all employees and others on the Trust premises.

The Trust uses a standardised risk assessment tool that enables risks to be graded and scored. The tool requires the individual reporting the risk to determine the risk level at the time of detection and to forecast the risk level that will be achieved following implementation of a risk mitigation plan. The risks to delivery of corporate objectives on the BAF and relevant risks on CRR have been reviewed in detail by the Board, Audit Committee and Finance, Performance, and Investment Board sub-committees during the year.

The Trust recognises that it is not possible or always desirable to eliminate all risks and that systems should not stifle innovation. When all reasonable control mechanisms have been put in place some residual risk will inevitably remain in many Trust processes and this level of risk must be accepted. Risk acceptance within the Trust is systematic, explicit, and transparent. Where residual risk remains, the risk will remain on the BAF, CRR or local risk register. This ensures that it is reviewed through the control systems rather than having been removed from the register and therefore out of sight.

The Safety, Experience & Clinical Effectiveness Group chaired by the Executive Director of Nursing & Therapies provides the oversight of trust-wide strategic quality and safety related meetings such as Safeguarding Adults/Children, Drug and Therapeutic committees. The Group reports to the Quality and Performance Executive Committee chaired by the CEO and is the lead Executive committee for assuring the quality and safety of services through to the Board Quality Assurance Committee and the Audit Committee, with the Audit Committee providing overall governance assurance and scrutiny.

The Non-Clinical Risk Committee chaired by the Chief Financial Officer group provides the oversight of risk relating to Information Governance, Health & Safety, Fire and Medical Devices amongst others. The Group reports to the Business, Finance & Strategy Executive Committee chaired by the CEO and reports through to Finance, Investment & Performance Committee, and the Audit Committee, with the Audit Committee providing overall governance assurance and scrutiny.

Routine assurance of compliance with CQC registration requirements and fundamental standards of care is undertaken by the Divisional Patient Safety and Quality Groups. Clinical services review their compliance with CQC standards as part of ongoing monitoring reported into Patient Safety and Quality Groups and through supportive internal inspections coordinated by the Trust Patient Safety Team. Where recommendations for improvement arise from the internal inspections, service level action plans are

developed and followed up to ensure continuous improvement. Quality Improvement methodology is used to support ongoing improvements at both Trust and local level.

The Trust was subject to core services and well led inspections by the CQC in November and December 2019, which in March 2020 resulted in an "Outstanding" overall rating for the organisation and its services. The Trust achieved "Good" ratings across inspection domains for Safety, Effectiveness and Caring. The Trust was rated 'Outstanding' in the Responsive and Well-led[1] domains, confirming the leadership and governance arrangements within the Trust are of a high quality and robust. This was the second year running the Trust has been rated "Outstanding" in the well led domain.

Performance information related to quality and patient safety metrics are reviewed and cross referenced with other intelligence available to the governance team prior to inclusion in Trust performance and quality reporting. The metrics are regularly reviewed with the governance and performance team. Governance of data quality in relation to quality metrics is overseen by the Audit Committee through review of the Trust's Information Assurance Framework.

[1] NHS England's Well-led framework is published at https://www.england.nhs.uk/well-led-framework/

The Trust completes the Data Security and Protection Toolkit each year and, in this year, has achieved a "standards exceeded" green rating, supported by over 95% of staff completing annual information governance training.

Ultimate responsibility for Information Security rests with the Chief Executive of the Trust. This responsibility is delegated to the Deputy Chief Executive as Senior Information Risk Owner (SIRO). Responsibility is further delegated to all staff developing, introducing, managing, and using information and information technology systems through the medium of the Information Governance policy.

The Trust IT Compliance & Audit Manager is responsible for the co-ordination of all aspects of computer security and for ensuring that the Trust Information Governance Policy and practice is consistent with those defined and published by the NHS.

Service managers are responsible for the protection of all information and information technology assets within their department.

Line Managers are responsible for ensuring that their permanent and temporary staff and contractors are aware of the following:

- The information security policies applicable in their work areas.
- Their personal responsibilities for information security.
- How to access advice on information security matters.

All staff must comply with Information Governance security procedures including the maintenance of data confidentiality and data integrity. Failure to do so may result in disciplinary action. The Information Security Policy is maintained, reviewed, and updated by the Trust. This review takes place annually.

Contracts with external contractors that allow access to the Trust's information systems must always be in operation before access is allowed. These contracts will ensure that the staff or sub-contractors of the external organisation will comply with all appropriate security and confidentiality policies.

The Trust is ever conscious of cyber security risk and is performing strongly against NHS England's cyber security standards and retained cyber essentials plus re-accreditation in 2023/24. The Executive Committee, Audit Committee and Board receive regular updates on risks and mitigations in this area.

The BAF contains the following key current and future business and operating risks:

Key Risk	How they are managed / mitigated
Workforce Due to national workforce shortage and increasing scarce supply there is a risk of failure to recruit and retain staff which could impact on our ability to meet our commitment to providing safe, compassionate, high-quality care and a good patient experience for our service users.	• Deliver People and Equality, Diversity & Inclusion (EDI) Strategies Using a QI approach and working with Ops colleagues to address turnover and retention. • Continued focus on key element of our People Plan to include: o Growing & Retaining our People: Attraction & Retention o Training & Clinical Education o Engagement, Wellbeing & Rewards o Just Culture o Talent & Leadership o Remote working & digital transformation • Strategic People Group and Diversity Steering Group provides oversight of this work monthly.
Demand and Capacity There is a risk that the Trust will fail to transform services and that some services, even after making internal efficiencies and productivity gains will be unable to keep up with increased demand leading to increased waiting times thus increasing the risk of harm to patients	• Systems and process are in place to identify potential areas of risk and escalate specific needs to Executive Directors for resolution. • Divisions & Services monitor service performance and coordinate allocation of resources across boundaries to cover shortfalls • Deep dives, Quality Improvement Programme Reviews and Business Cases to address pressures • Triaging system in place for patients on waiting lists
Patient Voice There is a risk that that the Trust will fail to "hear the patient voice" and take account of patient experience when shaping, adapting, and designing services leading to services which do not meet the needs of all groups of patients and their families leading to inequality of access and poorer health outcomes.	• Implementation of patient experience tool and use of the feedback provided • Lived experience workforce • Increasing use of service user coproduction in quality improvement • Use of QI to reduce priority health inequalities • Waiting and flow programme to reduce waits and waiting times, improve patient experience and reduce harm from waiting

Key Risk	How they are managed / mitigated
System Working There is a risk that due to political, operational, workforce and funding pressures across health and care the Integrated Care Systems fail to deliver on their core aims of improving population health outcomes, reducing health inequalities, increasing system efficiency and contributing to wider social and economic development.	• Strong Trust representation on committees across both BOB and Frimley. Deputy CEO on Frimley ICS Board, MD membership of BOB ICS Board • Executive and senior leadership leading/engaged in key system transformation and provider collaborative programmes. • Membership of BOB and Frimley Integrated Care Partnership (NED representation) • Chair membership of Berkshire West ICP leaders' group
Health Inequalities Given the complexity of the determinants of health including non-health related factors, there are risks around delivering an ambitious programme of work aimed at reducing health inequalities given the long lead in time to see any improvements and outcomes impacted by factors outside of health and social care	• Berkshire wide health inequalities steering group • Anti-Racism Strategy with health inequalities focus and specific anti-racism in healthcare community engagement forum developed • Patient and Carer Race Equality Framework implementation plan development • Trust Reducing Health Inequalities Oversight group chaired by Deputy CEO. • Programme of reducing MHA detentions
Finance Failure to achieve system defined target efficiency and cost base benchmarks lead to an impact on funding flows to the Trust, and underlying cost base exceeding funding. Risk is described in the context of system funding allocations being allocated and controlled at ICS level, flowing to providers on a risk share and/or relative efficiency basis.	• The Trust has delivered better than plan in 2023/24. • Effective financial planning process, management of expenditure within agreed within system funding allocations. • Regular reporting and discussion at Trust Business Group/Business, Finance & Strategy Executive Committee, Finance, Investment and Performance Committee and Board oversight

Key Risk	How they are managed / mitigated
Digital Risk There is a risk that capital funding constraints will reduce the Trust's ability to invest in digital technology and innovation which is needed in order to maximise capacity (both clinical and non-clinical) and reduce the risk of malware attack which could compromise systems leading to unavailability of clinical systems, loss of data, ransom demands for data and mass disruption.	• Latest Anti-malware software is installed on all computers and servers and networks protected by firewalls. • Range of tools deployed, incoming email scanning, website filtering, critical security patch deployment. • Information security policy in place which details acceptable use of IT. • Network access for all windows end-point devices, digital patient records, digital staff records apps and devices protected via multi-factor authentication • Annual Cyber Security report to Audit Committee • Periodic external penetration tests
Sustainability There is a risk that the Trust's will not be able to deliver its Green Plan due to a lack of resources including access to capital funding and a focus on short rather than long term initiatives.	• Published Green Plan Net Zero 'n Green 2022-2025 and associated Green Action Plan • Sustainability Lead in place • Sustainability policies • Produce heat decarbonisation plans for core BHFT sites • Develop Green travel plan • Annual update on progress on Green Plan and Sustainability provided to Board

The above BAF risks can also be deemed to be "principal" risks to maintaining the NHS Foundation Trust licence condition 4 (FT governance). Further risk control and mitigation assurance is described throughout this Annual Governance Statement in terms of the governance structures and processes (Board and Executive and local level) that the Trust operates to minimise risk against this operating licence condition.

Risk management is embedded in the organisation through, for example, a locality represented Health & Safety Committee reporting into the Executive Non-Clinical Risk Committee, chaired by the Chief Financial Officer. Local risk registers are directly managed at service level with local risks and mitigation overseen by and reported up through the Operational and Senior Leadership Teams for escalation through to an Executive Director and the BAF / Corporate Risk Register. Local risk registers are used as a key business planning tool supporting service delivery.

Incident reporting enables the Trust to understand and manage risks associated with patients and staff. Incidents, investigation outcomes and trends are reviewed and discussed at service level and reported to the Quality and Performance Executive Committee with Board level scrutiny undertaken by the Finance, Investment and Performance, Audit and Quality Assurance Committees. Reporting trends are monitored to ensure all services in the Trust are reporting and if concerns are raised staff are reminded of their responsibility to report. As learning outcomes are shared across the organisation staff can see the value of reporting and the resulting change.

As a Trust the Board of Directors is accountable to the Council of Governors. The Trust's Council comprises a mix of appointed and publicly elected Governors. The Board provides the Council with information on key strategic risks and performance at each Council meeting. In addition, the Trust reports all Serious Incidents to our local systems and works with Local Authority Health Overview and Scrutiny Committees and Health and Wellbeing Boards to address issues raised by the public and/or local councillors.

The Trust has mechanisms in place to assure the Trust Board that workforce issues are a focus and priority.

Each month key workforce data including turnover, vacancies, sickness, appraisals, and training are reported to the Executive Quality and Performance Committee and the reports from this meeting are reviewed at the Finance, Investment & Performance sub-committee of the Board. The Board also receives a six-monthly report on formal HR processes including disciplinary and grievance activity.

Alongside workforce metrics, committees also review the monthly ward Safe Staffing report, which outlines our safer staffing requirements and workforce deployed against that requirement, as well as a declaration from the Director of Nursing and Therapies. An incident reporting system is used to report risks from reduced ward staffing and processes are in place to support escalation and actions to mitigate risk. Any changes to staffing and skill-mix in any services are supported by a QIA. Every six months a detailed safe staffing report is presented to the Quality and Performance Executive Committee and the Board, this report details use of evidence-based tools (where they exist), professional judgement, outcomes alongside other staff and workforce data to provide a triangulated view of safe staffing on the wards.

The Finance, Investment and Performance Board sub-committee receives updates on progress against the Trust's People Strategy and further to this a biannual report is submitted to the Trust Board covering key elements of the People Strategy, and progress on actions. The Deputy Chief Executive and Director of People attend the Board to present the report and take any questions, feedback, and respond to concerns. The People Strategy covers all aspects of the workforce, and the report explains what we are doing today to resolve current issues, and what the plans are for managing longer term issues and those priority areas identified in the NHS Long term Plan and the workforce risk on the Board Assurance Framework.

The Board Assurance Framework captures the risks associated with the workforce and currently identifies the recruitment and retention of the workforce as a key priority. This risk is discussed at the monthly Strategic People Group, attended by Divisional Directors and some Service Leads. The risks are discussed, and mitigations are agreed and reported back through Executive Committee to the Trust Board.

The Trust has a dedicated Workforce Planning and Temporary Staffing Lead whose role is to ensure that we have safe levels of staffing; that we respond to planned and unplanned workforce challenges and can deploy fixed and temporary staffing effectively and to work with services to continue to monitor and review roles and skills mix to ensure the most effective use of available resources. We use the workforce projections in our annual plan and known workforce movements to inform our Trust recruitment plan to proactively identify possible workforce gaps and better support safe staffing.

The Board has appointed a Non-Executive Wellbeing Guardian to provide scrutiny and assurance to the work of the Trust in support of our staff and the requirements of the NHS People plan.

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

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

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

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

The Trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance of 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 Board of Directors receives a report on key driver and tracker metrics at its formal public meetings. These metrics cover service activity, quality, patient safety, workforce, and cost as well as the patient experience.

The Finance, Investment & Performance sub-committee of the Board scrutinises this financial and performance information in detail on a regular basis, providing further assurance to the Board of Directors.

The Quality Executive committee reviews and scrutinises monthly non-financial performance and signals where further work needs to be undertaken to understand the data and/or improve performance. Whilst the monthly Business, Finance & Strategy Executive Committee performs the same for financial performance. The Divisional Performance, Safety & Quality review meetings chaired by Divisional Clinical Directors, review service performance routinely and drill down to individual service lines.

The above system ensures that the Trust performs within the agreed parameters of economy, efficiency and effectiveness and should those parameters be breached, is able to quickly identify issues and put in place plans to improve performance.

Through the audit programme internal and external audit provide further external assurance to the Board on economy, efficiency, and effectiveness of use of resources.

Information Governance

The Trust had two incidents in the 2023/24 period which were reportable to the ICO based on the impact.

The first incident involved a training guide created and published by a service for use of their clinical record system by Trust staff. For some elements of the guide screenshots were taken from the live system using identifiable patient records instead of from the test system which contains fictitious records. A member of staff recognised the details of a colleague in this guide exposing that they were known to the service and disclosing demographic information about them, this caused significant distress to the individual. The service removed and recalled all copies of the guide containing real personal data issuing a new version with fictitious information. The service have undertaken a full review of how guides are created by their team and shared this process, including the need for review and sign off before publication, with all staff to ensure only the test system is used to create this documentation.

The second incident involved a member of staff inappropriately accessing the records of a Trust client on multiple occasions as well as contacting a Trust service the client is known to without disclosing the nature of their relationship. The member of staff has a personal relationship with the client and there was no legitimate professional relationship for records to be access or information to be received under. Due to the circumstances and vulnerabilities of the client this case was referred to HR and a full investigation is currently in process.

The Trust continues to support services reporting breaches of all severity levels, the Information Governance Team review and grade all breaches and for those which are not notifiable to the ICO the

local teams manage review, actions and learning from these with the IG Team monitoring any reoccurring breach types as teams and individuals making repeat breaches to take appropriate supportive action as required.

Data Quality and Governance

The Trust takes a number of steps to assure the Board that there are appropriate controls in place to ensure the accuracy of its data:

- The Chief Financial Officer is responsible for data quality processes and assurance.
- The Board and Executive level integrated performance report is underpinned by data recording and monitoring systems.
- The governance of data quality is overseen by the Audit Committee and Quality & Performance Executive Committee, which reviews improvement progress in the Trust's Information Assurance Framework.
- The Information Assurance Framework identifies the critical local and national performance indicators across safety, quality, and finance that governance committees of the Trust require data quality assurance of.
- The framework oversees a quarterly process of data source assurance and in-depth data quality audits undertaken by our internal data quality team, with feedback and improvement action followed up to improve completeness and accuracy of data.
- Internal team reviews are supplemented by internal and external audit reviews of data quality.
- The Trust is very high scoring on the national data quality maturity index for Trusts collected and returned data via national minimum datasets.
- Staff using Trust information systems to record data are trained and supervised in the use of systems and accurate and timely recording, supported by policies and operating procedures.

The Board and senior management team gains further assurance on service quality via visits to divisions to review delivery of the quality agenda and reviewing feedback from patient and staff surveys, safety, and outcome reports to Trust Board.

Waiting times are a national and organisational priority that are included in the annual plan. The Trust has an assurance process in place which focuses on the national and mandated targets and standards. These feature in the Trust Performance Report and are part of an audit schedule. This comprises of one of two levels of assurance validated calculation based on the data and record level audit to assess compliance. The Quality and Performance Executive Group receives and reviewed the monthly waiting times report which highlights services with longer waits and links to the quality concerns register. There are a number of services that do not have either local (commissioner or internally allocated) targets and work is underway with these services to improve reporting and data quality issues.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made

by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and Quality Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Assurance is informed by established processes to ensure the effectiveness of the systems of internal control supported by:

- Regular review of strategic-level risks and the BAF by the Executive, Audit Committee, Finance and Investment Board sub-committee and the Board of Directors, strengthen by positive assurance rating provided by Internal Audit on arrangements for risk management and our BAF.

- Audit Committee, chaired by a Non-Executive Director, meeting regularly, and delivering its agreed Audit plan, and maintaining a senior oversight of the activity of Board sub committees within the Trust's governance structure.

- Quality Assurance Committee, chaired by a non-executive director, meeting regularly, and ensuring monitoring and ongoing compliance with its fundamental standards for quality and safety and clinical outcomes and effectiveness.

- The Business, Finance & Strategy Executive Committee and Executive oversight of the Governance structure.

- Executive responsibility for the delivery of effectiveness, efficiency, and economy.

- Detailed processes undertaken by the Executive to verify compliance with CQC registration and NHS Foundation Trust Licence Conditions.

- Review of feedback from Staff and Patient Surveys

- Reviews of serious incidents requiring investigation and whistleblowing investigations and the outcome of the investigations.

- Assessment of key findings of external enquiries

I am further assured by the external assessment of our organisation, reflected in the attainment of 'Outstanding' overall core services rating from the November 2019 CQC inspection, and 'Outstanding' for Well Led and our NHS England's NHS Oversight Framework Segmentation of '1'.

The Trust's internal auditors, RSM have provided the following positive Head of Internal Audit Opinion for the 12 months ended 31st March 2024:

"The organisation has an adequate and effective framework for risk management, governance, and internal control. However, our work has identified further enhancements to the framework of risk management, governance, and internal control to ensure that it remains adequate and effective".

In providing this positive opinion RSM did not highlight any issues that needed to be reported in this governance statement.

The Trust and RSM have undertaken a range of reviews of financial, clinical, and operational issues during the year including Board assurance framework & corporate risk register and mandatory Information governance audits.

Audit recommendations are reviewed by the Audit Committee and are implemented according to an agreed timescale. Regular reviews are undertaken by the internal auditors to ensure any actions have been delivered as agreed.

Conclusion

No significant internal control issues have been identified by the Trust in 2023/24 and the Trust's Annual Governance Statement is a balanced reflection of the management position throughout the year.

Julian Emms,
Chief Executive
Date: 19 June 2024

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

Opinion

We have audited the financial statements of Berkshire Healthcare NHS Foundation Trust for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the HM Treasury's Financial Reporting Manual: 2023-24 as contained in the Department of Health and Social Care Group Accounting Manual 2023 to 2024 and the Accounts Direction issued by NHS England with the approval of the Secretary of State as relevant to the National Health Service in England.

In our opinion the financial statements:

- give a true and fair view of the financial position of Berkshire Healthcare NHS Foundation Trust as at 31 March 2024 and of Foundation Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2023 to 2024; and
- have been properly prepared in accordance with the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Foundation Trust's ability to continue as a going concern for a period of 12 months to 30 June 2025.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- other information published together with the audited financial statements is consistent with the financial statements; and

- the parts of the Remuneration Report and Staff Report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2023/24 and is not misleading or inconsistent with other information forthcoming from the audit; or
  We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

Responsibilities of the Accounting Officer

As explained more fully in the ‘Statement of the chief executive's responsibilities as the accounting officer of Berkshire Healthcare NHS Foundation Trust set out on page 119 the chief executive is the accounting officer of Berkshire Healthcare NHS Foundation Trust. The accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the Foundation 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 the Council of Governors intend to cease operations of the Foundation Trust, or have no realistic alternative but to do so.

As explained in the Governance Statement, the accounting officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Foundation Trust's resources.

Auditor's responsibility for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are the National Health Service Act 2006, the Health and Social Care Act 2012 and the Health and Care Act 2022, as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how Berkshire Healthcare NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Foundation Trust's board minutes, through enquiry of employees to verify Foundation Trust policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue) and management override of controls to be our fraud risks.

- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we reviewed the Foundation Trust's manual year end income accruals, challenging assumptions and corroborating the income to appropriate evidence.

- To address the presumed fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in May 2024, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Berkshire Healthcare NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our report

This report is made solely to the Council of Governors of Berkshire Healthcare NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Maria Grindley (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Reading
19 June 2024

Statement of Comprehensive Income
For the Year ended 31 March 2024

	Note	2023/24 £000	2022/23 £000
Operating income from patient care activities	3	352,304	332,152
Other operating income	4	20,170	15,439
Total operating income from continuing operations		**372,474**	**347,591**
Operating expenses	5.1, 7	(372,472)	(343,508)
Operating surplus / (deficit) from continuing operations		**2**	**4,083**
Finance income	8	3,228	1,502
Finance expenses	8.1	(9,631)	(4,190)
PDC dividends payable		(73)	(1,364)
Net finance costs		**(6,476)**	**(4,052)**
Gains / (Losses) of disposal of non-current assets	9	3	(7)
Surplus / (Deficit) for the year		**(6,471)**	**24**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6	(38,716)	(236)
Revaluations		2,715	5,650
Other reserve movements		(3)	(1)
Total other comprehensive income / (expenditure)		**(36,004)**	**5,413**
Total comprehensive income / (expense) for the period		**(42,475)**	**5,437**

Statement of Financial Position as at 31 March 2024

	Note	31 March 2024 £000	31 March 2023 £000
Non-current assets			
Intangible assets	10	1,836	3,960
Property, plant and equipment	11	78,917	117,721
Right of Use assets	12	15,221	15,488
Trade and other receivables	14	180	225
Total non-current assets		**96,154**	**137,394**
Current assets			
Inventories	13	312	288
Trade and other receivables	14	12,068	18,900
Cash and cash equivalents	15.1	52,612	55,196
Total current assets		**64,992**	**74,384**
Current liabilities			
Trade and other payables	16.1	(37,327)	(48,160)
Other liabilities	16.2	(11,113)	(10,642)
Borrowings	17	(6,205)	(4,192)
Provisions	18	(878)	(1,196)
Total current liabilities		**(55,523)**	**(64,190)**
Total assets less current liabilities		**105,623**	**147,588**
Non-current liabilities			
Borrowings	17	(54,872)	(34,779)
Provisions	18	(2,069)	(2,026)
Total non-current liabilities		**(56,941)**	**(36,805)**
Total assets employed		**48,682**	**110,783**
Financed by			
Public dividend capital		21,401	21,136
Revaluation reserve		22,019	58,020
Income and expenditure reserve		5,262	31,627
Total taxpayers' equity		**48,682**	**110,783**

The notes on pages 137 to 190 form part of these accounts.

Julian Emms, Chief Executive Officer
Date: 19th June 2024

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

	Note	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward		**21,136**	**58,020**	**31,628**	**110,784**
Comprehensive Income					
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023				(19,891)	**(19,891)**
Surplus for the year				(6,471)	**(6,471)**
- Impairments	6	-	(38,716)	-	**(38,716)**
- Revaluations		-	2,715	-	**2,715**
Total Comprehensive Income		**-**	**(36,001)**	**(26,362)**	**(62,363)**
Public dividend capital received		265	-	-	**265**
Other reserve movements		-	-	(3)	**(3)**
Taxpayers' and others' equity at 31 March 2024		**21,401**	**22,019**	**5,262**	**48,682**

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

	Note	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward		**20,740**	**51,979**	**32,231**	**104,950**
Comprehensive Income					
Surplus for the year				24	**24**
Other transfers between reserves			649	(649)	**-**
- Impairments	6	-	(236)	-	**(236)**
- Revaluations		-	5,650	-	**5,650**
Total Comprehensive Income		**-**	**6,063**	**(625)**	**5,438**
Public dividend capital received		396	-	-	**396**
Other reserve movements		-	(22)	22	**-**
Taxpayers' and others' equity at 31 March 2023		**21,136**	**58,020**	**31,628**	**110,784**

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 trust. Additional PDC may also be issued to NHS foundation trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health and Social Care 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 NHS foundation trust.

Statement of Cash Flows
For the Year ended 31 March 2024

	Note	2023/24 £000	2022/23 £000
Cash flows from operating activities			
Operating surplus		2	4,082
Non-cash income and expense:			
Depreciation and amortisation	5.1	10,839	10,843
Net impairments	6	6,938	1,889
Income recognised in respect of capital donations	4	(22)	-
(Increase)/Decrease in receivables and other assets		7,882	(9,763)
(Increase) in inventories		(24)	(115)
Increase/(Decrease) in trade and other payables		(11,033)	12,222
Increase/(Decrease) in other liabilities		471	(110)
(Decrease) in provisions		(541)	(1,181)
Other movements in operating cash flows		(3)	-
Net cash used in operating activities		14,509	17,867
Cash flows used in investing activities			
Interest received		3,228	1,502
Purchase of intangible assets		(471)	(1,648)
Purchase of property, plant, equipment and investment property		(9,324)	(6,815)
Receipt of cash donations to purchase capital assets		22	-
Net cash used in investing activities		(6,545)	(6,961)
Cash flows from financing activities			
Public dividend capital received		265	396
Capital element of finance lease rental payments		(2,570)	(2,561)
Capital element of PFI, LIFT and other service concession payments		(3,591)	(1,679)
Other interest (e.g. overdrafts)		-	(1)
Interest paid on finance lease liabilities		(125)	(137)
Interest paid on PFI, LIFT and other service concession obligations		(3,449)	(3,926)
PDC dividend paid		(1,078)	(1,667)
Net cash used in financing activities		**(10,548)**	**(9,575)**
Increase in cash and cash equivalents		**(2,584)**	**1,331**
Cash and cash equivalents at 1 April		**55,196**	**53,865**
Cash and cash equivalents at 31 March	15.1	**52,612**	**55,196**

NOTES TO THE ACCOUNTS

Note 1 Accounting policies and other information

1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

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

Accounting standards that have been issued but have not yet been adopted.

The Department of Health Government Accounting Manual (GAM) does not require the following Standards and Interpretations to be applied in 2023/24. These standards are still subject to HM Treasury FReM adoption, and are therefore not applicable to DH group accounts in 2023/24

- **IFRS 14 Regulatory Deferral Accounts** - Not UK-endorsed. Applies to first time adopters of IFRS after 1st January 2016. Therefore, not applicable to DHSC group bodies.
- **IFRS 17 Insurance Contracts** – Application required for accounting periods beginning on or after 1st January 2023. Standard is not yet adopted by the FReM which is expected to be from April 2025: early adoption is not permitted.
- **IFRS 18 Presentation and Disclosure in Financial Statements** – issued in April 2024 applies to annual reporting periods beginning on or after 1st January 2027. Standard is not yet adopted by the FReM.

The Foundation Trust will assess the impact of these standards after issue of the Annual Reporting Manual 2024/25 by NHS England.

1.2.1 Early adoption of standards, amendments and interpretations.

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

1.2.2 Prior Period Adjustments

In accordance with IAS 8 the Foundation Trust will record a prior period adjustment where there have been omissions from, and misstatements in, the Foundation Trust's financial statements for one or more prior periods arising information that:

- Was available when financial statements for those periods were authorised for issue and;
- Could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

1.3 Critical accounting estimates and judgements

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

Critical accounting judgements

- Income is derived by block contract from Integrated Care Boards, NHS England and the Unitary Authorities of Berkshire. All these contracts are subject to variations which may result in judgements being made by management on the timing and amount of income to be allocated to the correct financial reporting year. Other income is received for Education & Training and Research & Development, where the level of income recognised is subject to judgement made by management on the terms and conditions of those contracts and the expenditure which may not be evenly distributed through the financial year.

- The Trust employed an independent consultancy to support the identification and development of an optimised 'alternative site' solution for a Modern Equivalent Asset ('MEA') model as the basis of a valuation for the Trust's two main inpatient sites at Prospect Park Hospital in Reading and West Berkshire Community Hosptial in Newbury. Both of these units operate under a Private Finance Initiative ('PFI') arrangement and are recognised as assets within Land and Buildings. Also included in the optimisation is a donated asset known as Greenham Trust Wing co-located on the West Berkshire Community Hospital site.

  The assumption made under an alternative site basis is that the number and scale of both sites would reduce if the buildings were co-located into a single site where the existing West Berkshire Community Hospital is currently situated. Optimisation has considered the current occupancy and usage in each location by patients and service users and the services being delivered at each location. A model has been established based on notional building sizes that would accommodate the services currently being delivered in two geographically dispersed locations.

  The West Berkshire Community Hospital site in Newbury is considered a suitable alternative site as the area provides good access to the Trust's population to hospital services being off the A4 and M4 motorway network and also the rail network. The Trust has previously successfully relocated services to a single site, when it transferred inpatient mental health facilities from Ascot and Wexham Park Hospital in East Berkshire to Prospect Park Hospital in Reading, so consideration for relocating services again to a single site in Newbury would be feasible subject to normal consultation with stakeholders.

  The valuations of the optimised PFI buildings is net of VAT as under PFI arrangements, VAT is fully recoverable under HM Treasury Contracted Out Service provisions. The valuation for the notional building relating to the donated asset is gross of VAT, as VAT is not expected to be recoverable, and which is consistent with the original costs of construction.

  The Trust considers the move to alternative site to be a change in estimation and therefore does not require restatement of the prior year comparator in accordance with IAS 8.

  Valuations for the alternative site were performed by an independent valuation specialist, Carter Jonas. An opening valuation was done for 2023/24, dated 1st April 2023, and a second revaluation was performed for year end on the 31st March 2024. There were no changes in occupancy or services being delivered between those two dates.

- The Right of Use assets and corresponding lease liability in respect of property leased from NHS Property Services Ltd has been determined based on the original formal lease arrangements that were in place for the period from 1st April 2011 to 31st March 2016. The Trust has not entered into new formal lease arrangements with NHS Property Services since the expiry of the original leases.

  The Governments financial reporting manual ('FreM') has applied a wider definition to cover intra-governmental arrangements that are not legally enforceable to ensure that all 'lease like' arrangements between governmental departments, whether they be formal or informal should be interpreted as being in scope for IFRS 16, on the basis that the arrangement is similar to a contract that is enforceable. On this basis the Trust has determined the lease arrangements with NHS Property Services as being included under IFRS 16 Leases with a lease term of 5 years being consistent with the original lease term.

  Following the expiry of the initial leases on the 31st March 2016, the Trust has deemed itself to be occupying NHS Property Service sites under the terms of the original expired 5 year leases.

  The original leases were contracted out of the security of tenure provisions of the Landlord & Tenant Act 1954. That means the Trust had no automatic right to new tenancies when the original leases expired. Had the Trust enjoyed the rights provided by the Landlord & Tenancy Act 1954, then the leases would have automatically continued and could not be terminated except by notice served under the Act. For the landlord, NHS Property Services, that would mean serving a S.25 Notice giving between 6-12 months' notice to terminate the lease. The Trust as tenant could also serve a notice called a S.26 Notice requesting a new tenancy.

  The above is not applicable here because the Trust has continued to occupy and pay the same rent and other charges following expiry of the contracted-out leases. The Trust considers that it has implied periodic annual tenancies which run from year to year. Under these arrangements the Trust could serve notice to terminate leases so there is no more commitment than 3 months. The landlord could serve a notice to terminate, and that would be a S.25 Notice giving not less than 6 months' notice. In addition, the parties could agree to a surrender any or all of the existing lease interests if new lease terms were agreed in the future.

  Strategically, the Trust currently has no immediate plans or objectives to vacate NHS Property Services sites although within the portfolio of property under a lease arrangement there may be minor changes to meet operational requirements, and which can occur at short notice happening in a period of less than one year. However, management has determined that for the purposes of estimating the value of the Right of Use assets and corresponding lease liability, it is reasonable to use a lease term consistent with the arrangements of the original lease that commenced in April 2011, especially as any lease renewal would likely be set for that minimum term of 5 years. NHS Property Services has not sought to end the existing tenancies or negotiate new lease agreements.

  A sensitivity analysis of different lease terms of less than one year up to 10 years identifies that there is no net material impact on the Statement of Financial Position or Statement of Comprehensive Income in respect of applying alternate lease terms. Secondly, the impact on the Statement of Comprehensive Income indicates that there is no material difference for treating the NHS Property Services as a Right of Use asset under IFRS 16 or retaining it as an operating lease with rolling lease term of less than one year. Finally, the impact on cash under each scenario is negligible.

	Lease Term (Years)*			
	<1**	3***	5****	10***
Statement of Financial Position - opening balance as at 1st April 2023				
RoU Asset	0	2,813	5,565	12,251
Lease Liability	0	(2,826)	(5,591)	(12,308)
Net Liability	**0**	**(13)**	**(26)**	**(57)**
Statement of Financial Position - closing balances as at 31st March 2024				
RoU Asset	0	1,407	3,931	10,890
Lease Liability	0	(1,420)	(3,966)	(10,992)
Net Liability	**0**	**(13)**	**(35)**	**(102)**
Statement of Comprehensive Income for year ended 31st March 2024				
Operating Lease Payments	1,425	0	0	0
Interest Charges	0	22	43	112
Depreciation	0	1,407	1,392	1,361
Total Charges to SoCI	**1,425**	**1,428**	**1,435**	**1,473**
Statement of CashFlow for year end 31st March 2024				
Payment of operating lease	(1,425)	0	0	0
Interest Charges	0	(22)	(46)	(112)
Repayment of Lease Liability	0	(1,407)	(1,380)	(1,316)
PDC Dividend	0	(0)	(1)	(3)
Net Impact on Cash	**(1,425)**	**(1,429)**	**(1,427)**	**(1,431)**

* Lease term calculated from 1st April 2022 which is transition date to IFRS 16
** Lease retained as operating lease and not transitioned to IFRS 16.
*** Values are indicative based on leases in force at the end of 2023/24
**** This is the actual lease impact per the year end accounts 2023/24

The opening valuation of the Right of Use asset for NHS Property Service leases on the date of transition to IFRS 16 on 1st April 2022 was £7.0m with a corresponding lease liability for £7.0m This was based on the annual rental payment payable for the financial year 2022/23. The Trust does not expect the rental charges to change for the five years up to 31st March 2027. The current net book value of NHS Property Service Right of Use assets as at the 31st March 2024 is £3.9m with a corresponding lease liability as at the same date of £4.0m. The Right of Use asset is being depreciated over a period of 5 years from 1st April 2022 to 31st March 2027 with the lease liability being repaid over the same period.

Key Sources of Estimation Uncertainty

The judgements and key sources of estimation uncertainty that have a significant effect on the material amounts recognised in the financial statements in the current or next financial year are detailed below:

- Asset valuations for land and buildings are provided on annual basis. Valuations are subject to general price changes in the property values across the UK. Asset values might vary from the real market value when assets are disposed. Total asset valuations as at 31st March 2024 was £66.4m (2022/23: £102.5m). The current valuation is net of fixed asset additions, less depreciation, less impairments, less disposals, plus any revaluation surplus. The reduction in valuation between 2023/24 and 2022/23 is due to optimisation of land and building assets valued under Modern Equivalent Asset to alternative site during 2023/24.

  The three sites where the alternative site valuations were used for 2023/24 include West Berkshire Community Hospital in Newbury, Prospect Park Hospital in Reading, and the Greenham Trust Wing, co-located at the West Berkshire Community Hospital in Newbury.

  The alternative site valuation is based on three notional buildings being co-located to a single site in Newbury where the existing West Berkshrie Community Hospital is situated with the land requirements and building size and scale that would accomodate all the Trusts existing services for community and mental health plus assocated admin support areas.

  At then end of financial year 2022/23 the valuations for the above site was a total £92.7m split between land (£18.5m) and buildings (£74.3m).

The move to alternative site valuation occured on the 1st April 2023. A valuation for the land and buildings on the 1st April 2023 resulted in a reduction in the valuation under MEA/DRC of land and buildings from £92.7m to £48.7m, made up of land (£4.5m) and buildings (£44.2m). The initial valuation to alternative site in April 2023 resulted in an impairment of £44.0m against the land and buildings in respect of the sites detailed above. This was split betwen land (£14.0m) and Buildings (£30.0m).

A subsequent revaluation was performed on the 31st March 2024 for year end 2023/24 that increased the valuation to £49.8m, made up of land (£4.5m) and buildings (£45.3m).

Future valuations will be based on increases in land and building prices as updated periodically. It is not feasible to predict future changes in valuations which are subject to future micro and macro-economic conditions prevailing at the time of the next revaluation.

- Determination of useful lives for property, plant and equipment - estimated useful lives for Trust's assets are based on common, widely used assumptions for each asset type except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired. The range of useful lives ranges from 3 years for IT software, up to 90 years for Land and Buildings.

- Accruals are based on estimates and judgements of historical trends and anticipated outcomes. At the end of each accounting period, management review items that are outstanding and estimate the amount to be accrued in the closing financial statements of the Trust. Any variation between the estimate and the actual is recorded under the relevant heading within the accounts in the subsequent financial period. The total value of contract receivable accruals in respect of at the year end 31st March 2024 is £2.5m (2022/23: £10.7m); whilst payable accruals were £21.5m (2022/23: £27.1m) which includes an accrual for untaken annual leave of £1.2m (2022/23: £1.2m).

- Provisions for pension and legal liabilities including dilapidation estimates on property leases, are based on the information provided from NHS Pension Agency, NHS Resolution and the Trust's own sources. Pension provision is based on the estimated life expectancy of the individual pensioner as stated in the UK Actuarial Department most recent life tables which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectations and the actual future liability will be accounted for in the period when such determination is made. The total value of provisions at the year end 31st March 2024 is £2.7m (2022/23: £3.2m).

1.4 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.

After making enquiries, the directors have a reasonable expectation that the services provided by the Trust will continue to be provided by the public sector for the foreseeable future and until 30 June 2025 i.e. 12 months after the publication of the annual report and accounts for 2023/24. Management’s enquiries covered planning, allocations, capital planning, policy on NHS structures and Trust strategy. The following points support the adoption of the going concern basis:

* There are no local or national policy decisions that are likely to affect that continued funding and provision of services by the Trust;
* The Trust’s financial position in 2023/24 was a £3.9m deficit. This is adjusted to a £3.8m surplus for the purposes of assessing the Trust’s performance. Adjusted performance is consistent with 2022/23, 2021/22 and 2020/21 where surpluses were also delivered;
* In 2023/24 the Trust has continued to benefit from the block contract arrangements for most of the income from Integrated Care Boards. These arrangements have provided certainty on income and improved liquidity and cash flow;

* The Trust Board has approved a plan for 2024/25 and this has been submitted to NHS England by the Trust and as part of the submission made by Buckinghamshire, Oxfordshire and Berkshire West ICB, of which the Trust is a member. The plan is for a surplus of £1.9m. The plan assumes income as agreed with the Trust's main NHS and non-NHS commissioners and is based on planning guidance assumptions. The plan includes a requirement to deliver a £13.6m efficiency programme which equates to 4% of the Trust's turnover. The efficiency programme is fully identified. The Trust's 2024/25 plan covers revenue, capital, cash, workforce and activity;

* The Trust has a rolling cash flow forecast based on expectations for funding and this extends to the end of July 2025. This indicates that the Trust would be able to continue to operate with good levels of liquidity for revenue and capital purposes, with no requirement to undertake borrowing and with a cash balance of £39.4m at the end of July 2025.

Based on management enquiries and the points made above, the directors have concluded that the going concern basis should be adopted in preparation of these accounts and in following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

1.5 Revenue from contracts with customers

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

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

The Trust receives the majority of its income from customers on a block contract arrangement which means that payments against the contract are received equally in twelfths across the financial year and which is not directly linked to specific satisfaction of performance obligations.

Revenue from NHS Contracts

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

2023/24

The main source of income for the Trust is contracts with commissioners for health care services. In 2023/24, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. The block contract funding was received from the Integrated Care Boards, that were established from the 1st July 2022. The Trust's entitlement to the consideration under the block contract did not vary regardless of the activity performed and the performance obligation continued to be the delivery of healthcare and related services.

Aligned payment and incentive contracts form the main payment mechanism under the NHS Payment Scheme. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, and out-patient first attendances. The precise definition of these activities is given in the NHS Payment Scheme. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Comparative period 2022/23

The main source of income for the Trust is contracts with commissioners for health care services. In 2022/23, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. In the first quarter of 2022/23, the Trust received block funding from Clinical Commissioning Groups where the block contracts were agreed at an Integrated Care System level. For the remainder of 2022/23, from quarter two onwards, the block contract funding was received from the Integrated Care Boards, that were established from the 1st July 2022. The Trust's entitlement to the consideration under the block contract did not vary regardless of the activity performed and the performance obligation continued to be the delivery of healthcare and related services.

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

NHS injury cost recovery scheme

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

Apprenticeship service income

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

Other Operating Income

The Trust receives income from other sources which is not directly related to the delivery of healthcare services. This includes income to support training and development of staff; managed estates services; property rental; and crèche services. Income is also recognised in respect of donations received for the purchase of capital assets or contributions to expenditure. Other operating income is recognised on an accruals basis when the delivery of the activity has occurred.

1.6 Expenditure on Employee Benefits

Short-term Employee Benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees.

Annual Leave Entitlement

The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period. The permitted carry forward is five days except in exceptional circumstances where an employee is on maternity or long-term sickness absence.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the 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 the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. 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 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 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 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

National Employment Savings Trust ('NEST')

In 2014/15, the Trust implemented auto-enrolment for eligible employees in the National Employment Savings Trust ('NEST'), which is a scheme set up under the Pensions Act 2008. NEST is regulated by The Pensions Regulator the UK regulator of workplace pension schemes.

NEST is a defined contribution, off Statement of Financial Position scheme. The value of employer contributions in 2023/24 was £49K (2022/23: £73K).

1.7 Expenditure on other goods and services

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

1.8 Property, Plant and Equipment

Recognition

Property, Plant and Equipment is capitalised where:

it is held for use in delivering services or for administrative purposes;

it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;

it is expected to be used for more than one financial year; and

the cost of the item can be measured reliably.

In addition, for Property, Plant and Equipment to be capitalised must:

individually have a cost of at least £5,000; or

form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

form part of the initial setting-up cost of a new building or refurbishment, irrespective of their individual or collective cost.

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

Measurement

Valuation

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

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

As land and buildings are reported separately in the notes to the Statement of Financial Position (SoFP), impairments are revaluations need to be analysised between land and buildings, based on the valuer's analysis of the overall valution of the property and upwards revaluations or impairments need to be recognised seperately on land and buildings.

The review of valuations for land and buildings including two PFI properties is performed by the Carter Jonas, which is a independent commercial valuation provider.

Valuations are reviewed on the 31st March of each calendar year, with a full physical inspection every five years, an interim physical verification at three years and a desktop review in all other years. The last full physical inspection for all land and buildings including the PFIs was performed during 2022/23 in preparation for the year on 31st March 2023.

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:

Current values in existing use are:

- Land and non-specialised buildings – market value for existing use; and
- 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.

The Trust's operational land and buildings assets that include the two PFIs of West Berkshire Community Hospital, Newbury and Prospect Park Hosptial, Reading, are valued on the basis that a modern equivalent asset would take the form of a single site in existing Newbury location that would be suitable for delivery of the Trust's services based on analysis of the population served by the Trust. In calculating the cost of this Modern Equivalent Asset, the Trust and the valuer have had regard to both the nature and size of the facilities that would be required. The valuer has taken the present area of the Trust's land and buildings as the baseline figure but has excluded areas which are not relevant for the comparison (such as courtyards or unused spaces).

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

A formal revaluation is required every 5 years with an interim formal valuation in the third year of each cycle. A Modern Equivalent Asset Optimised Alternative Site valuation was undertaken as at 1st April 2023 by the Trust's independent valuer. A further desktop valuation was undertaken as at 31 March 2024 for the year end valuation by the Carter Jonas.

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.

Revaluation surpluses and impairments due to changes in valuations are reflected in Other Comprehensive Income in the Statement of Comprehensive Income, the Statement of Changes in Taxpayers Equity and Notes 6 Impairments and 11.1 Property, Plant and Equipment.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be a realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

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.

Revaluation and impairment

Land and buildings are fully revalued every five years with an interim revaluation every financial year. All revaluations are performed by a professional qualified valuer who is a member of the Royal Institute of Chartered Surveyors.

Further revaluations may be done at any other time particularly where there have been additions, dilapidation or part disposal of an asset or on the occurrence of an event likely to cause impairment.

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income.

Decreases in asset values and impairments 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'.

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

Depreciation

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

The standard useful life for Property, Plant and Equipment held by the NHS foundation trust is:

- Buildings (excluding dwellings): 35 years
- Furniture & Fittings: 7 years
- Transport Equipment: 7 years
- Plant & Machinery: 5 years
- Information Technology: 4 years
- Software and Licenses: 3 years

Where there is a valid and reasonable expectation of the Trust that the economic useful life of Property Plant or Equipment is different to the standard, this will be assessed on a case by case basis taking into account the materiality of the initial investment and expected timing for replacement. The useful life will then be adjusted accordingly.

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.

De-recognition

Assets intended for disposal is reclassified as 'Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e. management are committed to a plan to sell the asset;
- a programme has begun to find a buyer and complete the sale;
- the asset is being actively marketed at a reasonable price;
- the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and,

– the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the assets on the revaluation reserve is transferred to Income and Expenditure reserve. For donated assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal amount so that no profit or loss is recognised in income and expenses. The remaining surplus or deficit in the donated asset reserve is then transferred to Income and Expenditure reserve.

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

1.9 Donated and grant funded assets

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

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

1.10 Government grants

Government grants are grants from government bodies other than revenue from NHS bodies for the provision of services. Revenue grants are treated as deferred income initially and credited to income to match the expenditure to which they relate. Capital grants are treated as income and the receipt credited to the Statement of Comprehensive Income, The associated asset is treated in a manner consistent with the depreciation and impairment charges for that asset. Assets purchased from government grants are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations and impairments are taken to the revaluation reserve and, each year, an amount equal to the depreciation charge on the asset charged to the Statement of Comprehensive Income.

A grant for an asset may be received subject to a condition that it is to be returned to the grantor if a specified future event does or does not occur. For example, a grant may need to be returned if the foundation trust ceases to use the asset purchased with that grant for a purpose specified by the grantor. In these cases, a return obligation does not arise until such time as it is expected that the condition will be breached and a liability is not recognised until that time. Such a condition would not therefore require the grant to be treated as deferred.

1.11 Private Finance Initiative (PFI) transactions

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

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI, LIFT and other service concession arrangement liabilities have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.

Lifecycle replacements

Components of the assets replaced by the operator 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 operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator’s planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a ‘free’ asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme:

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust’s Statement of Financial Position.

Other assets contributed by the Trust to the operator:

Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator’s capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.12 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.

Expenditure on research is not capitalised.

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

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be a realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. The expected useful life for software is 3 years.

1.13 Inventories

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

1.14 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 and bank balances are recorded at current values.

1.15 Leases

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

The Trust as a lessee

Recognition and initial measurement

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

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

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

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

Lease payments are apportioned between finance charges and repayment of the principal. Finance charges are recognised in the Statement of Comprehensive Income.

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

Subsequent measurement

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

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

Trust as a lessor

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

Finance Leases

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

Operating leases

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

Initial application of IFRS 16 in 2022/23

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

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

The Trust as lessee

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

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

Lease payments are apportioned between finance charges and repayment of the principal. Finance charges are recognised in the Statement of Comprehensive Income (SoCI).

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

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 2024:

	Period	Rate	Prior Year Rate
Short-term	Up to 5 Years	4.26%	3.27%
Medium-term	After 5 years up to 10 years	4.03%	3.20%
Long-term	Exceeding 10 years	4.72%	3.51%

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

	Rate	Prior Year Rate
Year 1	3.6%	7.4%
Year 2	1.8%	0.6%
Into perpetuity	2.0%	2.0%

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of 2.45% (2022/23 1.7%) in real terms.

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

Non-clinical risk pooling

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

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 in note 18.2 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 18.2, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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

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

1.18 Public dividend capital

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

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

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

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

1.19 Corporation Tax

The Trust is a Health Service body within the meaning of s519A Income and Corporation Taxes Act (ICTA) 1988 and accordingly is exempt from taxation in respect of income and capital gains within the categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to the provision of health care. Where trading activities are undertaken that are commercial in nature the profits per activity are below the £50,000 corporation tax threshold as per the HMRC 'Guidance on the Tax Treatment of Non-Core Healthcare Commercial Activities of NHS Foundation Trusts.

1.20 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.

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 NHS foundation trust has no beneficial interest in them. However, they are disclosed in note 15.2 in accordance with the requirements of HM Treasury's *FReM*.

1.22 Financial assets and financial liabilities

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

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

1.22a Financial Assets

Recognition

Financial assets are recognised when the Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or when the asset has been transferred and the Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

For all financial assets measured at amortised cost or at fair value through other comprehensive income, lease receivables and contract assets, the Trust will recognise a loss allowance, previously classified as impairment or bad debt provisions, representing expected credit losses on the financial instrument.

Financial assets measured at amortised cost are those held whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most financial assets at amortised costs and other simple debt instruments. After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's financial assets at amortised cost comprise current investments, cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

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 other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 1), and otherwise at an amount equal to 12-month expected credit losses (stage 2).

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

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

De-recognition

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

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

1.22b Financial Liabilities

Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished — that is, the obligation has been discharged or cancelled or has expired. Loans from the Department of Health are recognised at historic cost. Otherwise, financial liabilities are initially recognised at fair value plus or minus directly attributable transaction costs for financial liabilities not measured at fair value through profit or loss.

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from the Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability.

1.23 Losses and Special Payments

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

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

1.24 Charitable Funds

Under the provisions of IFRS 10 Consolidated Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact. As the charitable income during the financial year 2023/24 was £103K, compared to the Trust's revenue of £372,474K, the funds are not considered sufficiently material for consolidated account to be prepared. The position is reviewed annually, to confirm whether or not the charity's funds are material enough for consolidation to be appropriate. Separate accounts for the NHS charity will be produced. An outline of the charity is as follows:

The Berkshire Healthcare Charity is registered with the Charity Commission under reference number 1049733. Trustees of the charity are also employees of the NHS foundation trust. Details of the charity can be obtained from www.charitycommission.gov.uk.

Note 2 Operating Segments

IFRS 8 'Operating Segments' requires disclosure of the results of the significant operating segments. A business or operating segment is a group of assets and operations engaged in providing core or non-core services that are subject to risks and returns that are different from those of other business or operating segments. In line with the standard, based on the internally reported activities, the foundation trust identifies that all activity is healthcare related and a large majority of the foundation trust's revenue is received from within UK government departments.

The Trust operates as a single operating segment. The Board of Directors, led by the Chief Executive is the Chief Operating Decision Maker within the Trust. It is only at this level that revenues are fully reported and the overall financial and operational performance of the Trust is assessed. As all decisions affecting the foundation trust's future direction and viability are made based on the overall total presented to the board, the foundation trust is satisfied that the single segment of healthcare is appropriate and consistent with the principles of IFRS 8.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)

	2023/24	2022/23
	£000	£000
Mental health services		
Aligned payment & incentive (API) contract income / system block income	171,704	151,751
Services delivered as part of a mental health collaborative	2,122	2,871
Other clinical income from mandatory services	2,072	1,948
Community services		
Community services income from ICBs and NHS England	152,232	139,830
Community services income from other commissioners	13,256	12,581
All services		
Elective Recovery Fund*	-	4,067
Agenda for change pay offer central funding	73	9,348
Additional pension contribution central funding	10,845	9,756
Total income from activities	**352,304**	**332,152**

* Elective Recovery Fund for 2023/24 is included in Community Services income from ICBs and NHS England. The amount of Elective Recovery Fund received in 2023/24 was £5,275K.

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2023/24	2022/23
	£000	£000
NHS England (including central funding for AfC pay offer)	31,601	33,697
Clinical commissioning groups *	-	64,898
Integrated care boards	300,679	209,429
Local Authorities	14,854	13,966
Department of Health and Social Care	73	-
Other NHS foundation trusts	3,728	6,148
NHS Trusts	108	901
NHS injury scheme (was RTA)	32	1
Non-NHS: other	1,229	3,112
Total income from activities	**352,304**	**332,152**
Of which:		
Related to continuing operations	352,304	332,152
Related to discontinued operations	-	-

* Clinicial Commissioning Groups ('CCGs') demised on the 30th June 2022, and were replaced by the new Integrated Care Boards ('ICBs') on the 1st July 2022.

Note 4 Other operating income

	2023/24 £000	2022/23 £000
Other operating income from contracts with customers:		
Research and development	979	899
Education and training	8,565	5,747
Staff accommodation rental	70	51
Car Parking	82	76
Non-clinical services recharged to other bodies	227	629
Creche Services	1,988	2,042
Property Rental	3,867	3,406
Other income	4,322	2,148
Other non-contract operating income		
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	48	197
Charitable and other contributions to expenditure	22	244
Total other operating income	**20,170**	**15,439**
Of which:		
Related to continuing operations	20,170	15,439
Related to discontinued operations	-	-

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

	2023/24 £000	2022/23 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	3,563	3,598
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	420	504

4.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	2023/24 £000	2022/23 £000
- within one year	11,113	10,642
- after one year, not later than five years	-	-
- after five years	-	-
Total revenue allocated to remaining performance obligations	**11,113**	**10,642**

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 4.3 Income from activities arising from commissioner requested services

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

	2023/24	2022/23
	£000	£000
Income from services designated (or grandfathered) as commissioner requested services	341,386	313,048
Income from services not designated as commissioner requested services	31,088	34,543
Total	**372,474**	**347,591**

Note 4.4 Total benefits obtained from the apprenticeship fund	2023/24 £000	2022/23 £000
Cash income received from the apprenticeship levy scheme where the Trust is accredited training provider	125	158
Total benefit obtained from the apprenticeship levy	**125**	**158**

Note 4.5 Operating Leases - Trust as a lessor

This note discloses income generated in operating lease agreements where the Trust is a lessor.

Lease receipts are in respect of the sub-lease with the following organisations and

Organisaiton	Site
Royal Berkshire Hospitals NHS Foundation Trust	West Berkshire Community Hospital, Newbury and Erlegh House, Reading
Wokingham Borough Council	Resource House and 20 Denmark Street, Wokingham
Royal Borugh of Windsor & Maidenhead	Abell Gardens, Maidenhead; Nicholson House, Maidenhead and 9 Allenby Road, Maidenhead
Sue Ryder Care	Greenham Trust Wing located at West Berkshire Community Hospital, Newbury
Health Intelligence Ltd	Diabetic Eye Screening sites across Berkshire
Dimensions (UK) Ltd	75 Kings Road, Reading, 222 Gosbrook Road, Reading and 351 Gosbrook Road, Reading

The majority of the operating lease income of £3,444K is received from Royal Berkshire Hospital NHS Foundation Trust where the original lease has expired but the occupancy continues under a 'tenancy-at-will' where the notice period is less than one year. All other operating lease income can either be supported by formal leasing agreement with the tenant, or a licence to occupy.

Note 4.6 Operating lease income

	2023/24 £000	2022/23 £000
Lease receipts recognised as income in year:		
Variable lease receipts	3,867	3,406
Total in-year operating lease income	**3,867**	**3,406**

Note 4.7 Future lease receipts

	31 March 2024 £000	31 March 2023 £000
Future minimum lease receipts due in:		
- not later than one year	3,378	3,490
- later than one year and not later than two years	75	36
- later than two years and not later than three years	36	18
- later than three years and not later than four years	-	-
- later than four years and not later than five years	-	-
- later than five years	378	-
Total	**3,867**	**3,544**

Note 5.1 Operating expenses	2023/24	2022/23
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	4,640	3,602
Purchase of healthcare from non-NHS bodies	17,565	18,696
Employee expenses - executive directors	1,331	1,364
Employee expenses - non-executive directors	158	150
Employee expenses - staff	276,585	259,530
Supplies and services - clinical	6,849	6,150
Supplies and services - clinical: utilisation of consumables donated from DHSC group bodies for COVID response*	48	197
Supplies and services - general	892	808
Establishment	3,071	2,907
Research and development	263	317
Transport	1,992	2,081
Premises	17,864	14,368
Movement in credit loss allowance: contract receivables/assets	31	-
Increase/(Descrease) in other provisions	(568)	(94)
Change in provisions discount rate(s)	(29)	(160)
Drug costs	6,402	5,280
Rentals under operating leases (short term leases less than 12 months)	325	1,335
Depreciation on property, plant and equipment	9,554	9,004
Amortisation on intangible assets	1,285	1,839
Net Impairments	6,938	1,889
Audit fees payable to the external auditor:		
- audit services - statutory audit	195	101
- audit related assurance services	-	-
Internal Audit Fees	71	63
Clinical negligence premiums paid to NHS Resolution	1,912	1,422
Legal fees	788	777
Consultancy costs	404	572
Training, courses and conferences	2,263	1,432
Service Element of PFI Unitary Payments	8,347	7,452
Redundancy	129	24
Early retirements	(1)	-
Hospitality	4	3
Other services (external Payroll Services)	77	53
Losses, ex gratia & special payments	74	(13)
Other	3,013	2,359
Total	**372,472**	**343,508**
Of which:		
Related to continuing operations	372,472	343,508
Related to discontinued operations	-	-

*

Clinical supplies and services of £48K (2022/23 £197K) relates to centrally procured Personal Protective Equipment.

Note 5.2 Other auditor remuneration

The cost of other remuneration paid to the auditor, which included audit related assurance services were £0K (2022/23 £0K). Any fees are disclosed VAT exclusive.

The external auditor is also appointed by the Berkshire Healthcare Charitable Fund, the results of which are not consolidated into these financial statements. Details are included in the Charitable Fund's financial statements which are available on the Charity Commission website. The independent examination fee paid in 2022/23 was £3,937.50 excluding VAT.

Note 5.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2.0m (2022/23: £2.0m).

Note 6 Impairment of assets

	2023/24	2022/23
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Over specification of assets	-	(421)
Abandonment of assets in course of construction	-	-
Changes in market price*	6,038	158
Other**	900	2,152
Total net impairments charged to operating surplus / deficit	**6,938**	**1,889**
Impairments charged to the revaluation reserve***	38,716	236
Total net impairments	**45,654**	**2,125**

* Impairments arising from change in market price are reductions in an asset valuation and where there is insufficient or no revaluation reserve to offset the reduction in value, resulting in the impairment being charged to the Statement of Comprehensive Income.

** The 'Other' impairment of £900K is primarily in respect of leasehold improvements in respect of two new individual property's acquired under a lease contract where the independent valuer has valued them against the market rentable value, and determined that the works do not add sufficient value to retain the amount charged to capital. On that basis, the leasehold improvements have been impaired.

*** Impairments charged to the revaluaton reserve relates primarily to optimisation of the Modern Equivalent Assets under an alternative site model relating to the two PFI hospital sites of Prospect Park Hosptial in Reading and the West Berkshire Community Hospital in Newbury and the donated asset Greenham Trust Wing in Newbury. As part of the change in valuation estimation, the valuations of all three sites were impaired.

Note 7 Employee benefits

	Permanent	Other	2023/24 Total	2022/23 Total
	£000	£000	£000	£000
Salaries and wages	186,551	-	**186,551**	**177,716**
Social security costs	20,853	-	**20,853**	**19,590**
Apprenticeship levy	975	-	**975**	**883**
Employer's contributions to NHS pensions	35,717	-	**35,717**	**32,093**
Pension cost - other (NEST)	49	-	**49**	**73**
Other employment benefits	-	-	**-**	**(131)**
External Bank Staff	-	26,214	**26,214**	**23,152**
Agency/contract staff	-	8,268	**8,268**	**7,928**
Total staff costs	**244,145**	**34,482**	**278,627**	**261,304**
Included within:				
Costs capitalised as part of assets	711	-	**711**	**410**
Total employee benefits excl. capitalised costs*	**243,434**	**34,482**	**277,916**	**260,894**

* Total employee benefits relates to employees and Executive Directors, but excludes Non-Executive Directors

Note 7.1 Average number of employees (WTE basis)

	Permanent	Other	2023/24 Total	2022/23 Total
	Number	Number	Number	Number
Medical and dental	185	19	**204**	**205**
Ambulance staff	-	-	**-**	**3**
Administration and estates	647	31	**678**	**652**
Healthcare assistants and other support staff	1,430	298	**1,728**	**1,620**
Nursing, midwifery and health visiting staff	1,103	146	**1,249**	**1,245**
Nursing, midwifery and health visiting learners	20	-	**20**	**19**
Scientific, therapeutic and technical staff	945	48	**993**	**908**
Healthcare science staff	13	-	**13**	**9**
Other	1	-	**1**	**-**
Total average numbers	**4,344**	**542**	**4,886**	**4,661**
Of which:				
Number of employees (WTE) engaged on capital projects	9	-	**9**	**5**

Note 7.2 Retirements due to ill-health

The number of ill-health retirements in 2023/24 was 3 (2022/23: 2), with the value of early retirements on the grounds of ill-health being £223K (2022/23: £202K).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 7.3 Directors' remuneration

The aggregate amounts payable to directors were:

	2023/24	2022/23
	£000	£000
Salary	1,231	1,181
Taxable benefits	0	0
Performance related bonuses	0	0
Employer's pension contributions	130	97
Total	**1,361**	**1,278**

The amounts shown reflect the cumulative salaries and employer pension contributions to directors, and excludes employer national insurance contributions

Further details of directors' remuneration can be found in the Remuneration Report.

Note 8 Finance income

	2023/24	2022/23
	£000	£000
Interest on bank accounts	3,228	1,502
Total	**3,228**	**1,502**

Note 8.1 Finance expenditure

	2023/24	2022/23
	£000	£000
Interest expense:		
Finance leases	152	137
Interest on late payment of commercial debt	-	1
Main finance costs on PFI	3,449	1,771
Contingent finance costs on PFI	-	2,155
Remeasurement of PFI / other service concession liability resulting from change in index or rate	5,956	
Total interest expense	**9,557**	**4,064**
Other finance costs	74	126
Total	**9,631**	**4,190**

Note 9 Other gains or (losses)

	2023/24	2022/23
	£000	£000
Gains / (Loss) on disposal of right of use assets (lease termination)	3	(7)
	3	**(7)**

* The gain / (loss) relates to termination of lease early in respect of vehicle and equipment leases

Note 10.1 Intangible assets - 2023/24

	Software licences £000	Total £000
Valuation/gross cost at 1 April 2023 - brought forward	**12,190**	**12,190**
Additions	471	**471**
Impairments	(9)	**(9)**
Reclassifications	(1,301)	**(1,301)**
Disposals / derecognition	(4,320)	**(4,320)**
Gross cost at 31 March 2024	**7,031**	**7,031**
Amortisation at 1 April 2023 - brought forward	**8,230**	**8,230**
Provided during the year	1,285	**1,285**
Disposals / derecognition	(4,320)	**(4,320)**
Amortisation at 31 March 2024	**5,195**	**5,195**
Net book value at 31 March 2024	**1,836**	**1,836**
Net book value at 1 April 2023	**3,960**	**3,960**

Note 10.2 Intangible assets - 2022/23

	Software licences £000	Total £000
Valuation/gross cost at 1 April 2022 - as previously stated	**10,571**	**10,571**
Additions	1,648	**1,648**
Impairments	(29)	**(29)**
Valuation/gross cost at 31 March 2023	**12,190**	**12,190**
Amortisation at 1 April 2022 - as previously stated	**6,391**	**6,391**
Provided during the year	1,839	**1,839**
Amortisation at 31 March 2023	**8,230**	**8,230**
Net book value at 31 March 2023	**3,960**	**3,960**
Net book value at 1 April 2022	**4,180**	**4,180**

Note 10.3 Intangible assets financing 2023/24

	Software licences	Total
	£000	£000
Net book value at 31 March 2024		
Purchased	1,836	**1,836**
NBV total at 31 March 2024	**1,836**	**1,836**

Note 10.4 Intangible assets financing 2022/23

	Software licences	Total
	£000	£000
Net book value 31 March 2023		
Purchased	3,960	**3,960**
NBV total at 31 March 2023	**3,960**	**3,960**

Note 11.1 Property, plant and equipment - 2023/24

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 brought forward	**23,045**	**87,722**	**634**	**1,022**	**151**	**15,965**	**2,251**	**130,790**
Additions - purchased	-	3,039	657	67	-	5,415	324	**9,502**
Additions - assets purchased from cash donations / grants	-	22	-	-	-	-	-	**22**
Impairments charged to operating expenses	(4,112)	(2,621)	(143)	-	-	(42)	(11)	**(6,929)**
Impairments charged to revaluation reserve	(9,876)	(28,840)	-	-	-	-	-	**(38,716)**
Reclassifications	-	265	(317)	-	-	1,353	-	**1,301**
Revaluations*	216	441	-	-	-	-	-	**657**
Disposals / derecognition	-	(914)	-	(214)	-	(7,534)	(840)	**(9,502)**
Valuation/gross cost at 31 March 2024	**9,273**	**59,114**	**831**	**875**	**151**	**15,157**	**1,724**	**87,125**
Accumulated depreciation at 1 April 2023 - brought forward	**-**	**1,787**	**-**	**582**	**6**	**9,510**	**1,184**	**13,069**
Provided during the year	-	2,980	-	157	32	3,235	295	**6,699**
Revaluations*	-	(2,058)	-	-	-	-	-	**(2,058)**
Disposals/ derecognition	-	(914)	-	(214)	-	(7,534)	(840)	**(9,502)**
Accumulated depreciation at 31 March 2024	**0**	**1,795**	**0**	**525**	**38**	**5,211**	**639**	**8,208**
Net book value at 31 March 2024	**9,273**	**57,319**	**831**	**350**	**113**	**9,946**	**1,085**	**78,917**
Net book value at 1 April 2023	**23,045**	**85,936**	**634**	**440**	**145**	**6,455**	**1,067**	**117,722**

Revaluations were performed on the 31st March 2024

Note 11.2 Property, plant and equipment - 2022/23

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - as previously stated	**22,556**	**81,243**	**-**	**991**	**30**	**13,081**	**2,583**	**120,484**
Additions - purchased	-	4,120	634	31	121	2,884	125	**7,915**
Additions - assets purchased from cash donations / grants	-	-	-	-	-	-	-	**-**
Impairments	(147)	(2,399)	-	-	-	-	-	**(2,546)**
Reversals of impairments	-	450	-	-	-	-	-	**450**
Reclassifications	-	457	-	-	-	-	(457)	**-**
Revaluations**	636	3,851	-	-	-	-	-	**4,487**
Valuation/gross cost at 31 March 2023	**23,045**	**87,722**	**634**	**1,022**	**151**	**15,965**	**2,251**	**130,790**
Accumulated depreciation at 1 April 2022 - as previously stated	**-**	**-**	**-**	**423**	**-**	**6,451**	**891**	**7,765**
Provided during the year	-	2,949	-	159	6	3,059	293	**6,466**
Revaluations	-	(1,163)	-	-	-	-	-	**(1,163)**
Accumulated depreciation at 31 March 2023	**0**	**1,786**	**0**	**582**	**6**	**9,510**	**1,184**	**13,068**
Net book value at 31 March 2023	**23,045**	**85,936**	**634**	**440**	**145**	**6,455**	**1,067**	**117,722**
Net book value at 1 April 2022	**22,556**	**81,243**	**-**	**568**	**30**	**6,630**	**1,692**	**112,719**

**Revaluations were performed on the 31st March 2023

As a result of an accounting correction around cumulative depreciation for non-revalued assets, there has been a reclassification of £1,085k between Valuation/Gross Cost Revaluations and Accumulated Depreciation Revaluations. Non-revalued assets relate to improvements or enhancements on leasehold property held under lease contract that are relatively low value and short lease term/asset life of up to 10 years. There has been no impact to the movements in the revaluation reserve balance and overall Net Book Value for Buildings as a result of this correction.

Note 11.3 Property, plant and equipment financing - 2023/24

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2024								
Owned	9,273	10,739	831	350	113	9,939	1,085	**32,330**
On-SoFP PFI contracts and other service concession arrangements	-	45,887	-	-	-	-	-	**45,887**
Donated	-	693	-	-	-	7	-	**700**
NBV total at 31 March 2024	**9,273**	**57,319**	**831**	**350**	**113**	**9,946**	**1,085**	**78,917**

Note 11.4 Property, plant and equipment financing - 2022/23

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2023								
Owned	23,045	10,476	634	440	145	6,443	1,066	**42,249**
On-SoFP PFI contracts and other service concession arrangements	-	72,128	-	-	-	-	-	**72,128**
Donated	-	3,331	-	-	-	12	1	**3,344**
NBV total at 31 March 2023 as restated	**23,045**	**85,935**	**634**	**440**	**145**	**6,455**	**1,067**	**117,721**

Note 11.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	568	1,063	-	-	-	-	-	1,631
Not subject to an operating lease	8,705	56,256	831	350	113	9,946	1,085	77,286
Total net book value at 31 March 2024	**9,273**	**57,319**	**831**	**350**	**113**	**9,946**	**1,085**	**78,917**

Note 11.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	11,949	-	-	-	-	-	11,949
Not subject to an operating lease	23,045	73,986	634	440	145	6,455	1,067	105,772
Total net book value at 31 March 2023	**23,045**	**85,935**	**634**	**440**	**145**	**6,455**	**1,067**	**117,721**

Note 11.7 Valuation methods for land and buildings - 2023/24

	Land	Buidings excluding dwellings
	£000	£000
DRC - Modern equivalent asset basis (alternative site)*	4,511	45,490
DRC - Modern Equivalent asset basis (no alternative site)	350	1,032
Market Value in existing use **	3,316	10,797
Fair value (surplus PPE land and buildings)	1,096	-
	9,273	**57,319**

* DRC - Modern Equivalent Asset (alternative site) is used for specialist land and buidings including the two PFIs at Prospect Park Hospital in Reading, West Berkshire Community Hospital in Newbury and Greenham Trust Wing located at West Berkshire Community Hospital.

** Depreciated historical cost is used as proxy for current value in existing use for certain leasehold improvement properties. The Net Book Value of these assets is £3,002K

Note 12 Leases - Berkshire Healthcare NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust's main leases relate to:

- property for providing accommodation to both clinical and administrative services. This includes properties leased from NHS Property Services.
- transport equipment including employee and pool lease cars, and the Health Bus
- information technology in the form of data lines or network to link the Trust's remote clinical and admin locations and create a single IT infrastructure

	Property (land and buildings)	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	**16,717**	**432**	**869**	**18,018**	**6,956**
Additions - lease liability	752	47	300	**1,099**	-
Dilapidation provisions arising (capitalised in RoU asset)	189	-	-	**189**	-
Dilapidation provisions - change in discount rate	78	-	-	**78**	-
Dilapidation provisions - reversed unused	(75)			**(75)**	
Remeasurements of the lease liability	356	-	1,004	**1,360**	(216)
Disposals/derecognition - lease termination	(363)	(40)	(72)	**(475)**	(33)
Valuation/gross cost at 31 March 2024	**17,654**	**439**	**2,101**	**20,194**	**6,707**
Accumulated depreciation at 1 April 2023 - brought forward	2,214	227	89	**2,530**	1,391
Provided during the year	2,416	132	307	**2,855**	1,392
Impairments				**-**	-
Reversal of impairments				**-**	-
Revaluations				**-**	-
Reclassifications				**-**	-
Disposals / derecognition	(335)	(40)	(37)	**(412)**	(7)
Accumulated depreciation at 31 March 2024	**4,295**	**319**	**359**	**4,973**	**2,776**
Net book value at 31 March 2024	**13,359**	**120**	**1,742**	**15,221**	**3,931**
Net book value of right of use assets leased from other NHS providers	-	-	-	**-**	
Net book value of right of use assets leased from other DHSC group bodies*	3,931	-	-	**3,931**	

*Right of Use Assets leased from other DHSC group bodies includes property on lease with NHS Property Services Ltd, and include the Trust's hub sites of Upton Hospital in Slough, King Edward VII Hospital in Windsor, Wokingham Hospital in Wokingham, and St Mark's Hospital in Maidenhead. It also includes several other smaller sites in Berkshire and Hampshre, where the Trust provides healthcare services.

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

	Property (land and buildings)	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward					
Recognition of right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2022	13,199	130	573	**13,902**	6,956
Additions - lease liability	2,827	324	334	**3,485**	-
Dilapidation provisions arising (capitalised in RoU asset)	620	-	-	**620**	-
Dilapidation provisions - change in discount rate	71	-	-	**71**	-
Disposals/derecognition - lease termination	-	(22)	(38)	**(60)**	-
Valuation/gross cost at 31 March 2023	**16,717**	**432**	**869**	**18,018**	**6,956**
Accumulated depreciation at 1 April 2022 - brought forward	-	-	-	**-**	
Provided during the year	2,214	229	95	**2,538**	1,391
Impairments				**-**	-
Reversal of impairments				**-**	-
Revaluations				**-**	-
Reclassifications				**-**	-
Disposals / derecognition	-	(2)	(6)	**(8)**	-
Accumulated depreciation at 31 March 2023	**2,214**	**227**	**89**	**2,530**	**1,391**
Net book value at 31 March 2023	**14,503**	**205**	**780**	**15,488**	**5,565**
Net book value of right of use assets leased from other NHS providers	-	-	-	**-**	
Net book value of right of use assets leased from other DHSC group bodies*	5,565	-	-	**5,565**	

Note 12.1 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 18 Borrowings

	2023/24	2022/23
	£000	£000
Carrying value at 31 March 2023	**15,185**	-
IFRS 16 implementation - adjustments for existing operating leases	-	14,306
Lease additions	1,099	3,485
Lease liability remeasurements	1,360	-
Interest charge arising in year	152	137
Early terminations	(66)	(45)
Lease payments (cash outflows)	(2,695)	(2,698)
Carrying value at 31 March 2024	**15,035**	**15,185**

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

These payments are disclosed in Note 5.1 Operating Expenses. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 12.2 Maturity analysis of future lease payments at 31 March 2024

	Total 31 March 2024 £000	Of which leased from DHSC group bodies: 31 March 2024 £000	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000
Undiscounted future lease payments payable in:				
- not later than one year;	2,656	1,348	2,603	1,423
- later than one year and not later than five years;	7,394	2,670	7,924	4,268
- later than five years.	5,739	-	5,314	-
Total gross future lease payments	**15,789**	**4,018**	**15,841**	**5,691**
Finance charges allocated to future periods	(754)	(52)	(656)	(100)
Net lease liabilities at 31 March 2024	**15,035**	**3,966**	**15,185**	**5,591**
Of which:				
Leased from other DHSC group bodies		3,966		5,591

Note 13 Inventories

	31 March 2024 £000	31 March 2023 £000
Drugs	312	288
Total inventories	**312**	**288**

Drug inventories recognised in expenses for the year were £2,101K (2022/23: £1,557K). Write-down of inventories recognised as expenses for the year were £0K (2022/23: £0K).

As part of the COVID response, the Trust continued to receive personal protective equipment ('PPE') inventories from Department of Health and Social Care. These consumable items were centrally procured by DHSC and donated to Trust. The value of these items have been treated as a donation with the total amount of the items being purchased for the Trust being recognised as a contribution to expenditure within Note 4 Other Operating Income. Due to the low value of consumable stock items being held, the Trust has historically treated all personal protective equipment as being fully consumed in the period in which it is purchased, and as a result of this, the Trust records £nil balance of inventory for PPE as at year end 31st March 2024. The value of stock donated to the Trust is recorded as fully utilised within Note 5.1 Expenditure: Supplies and services - clinical. The value of the PPE received in 2023/24 was £48K (2022/23: £197K).

Note 14.1 Trade receivables and other receivables

	2024 £000	2023 £000
Current		
Contract receivables - NHS*	3,138	11,234
Contract receivables - non NHS	3,065	2,478
Allowance for other impaired receivables	(83)	(52)
Prepayments (non-PFI)	2,214	2,659
PDC dividend receivable	1,648	643
VAT receivable	1,911	1,765
Clinician pension tax provision	6	5
Other receivables	169	168
Total current trade and other receivables	**12,068**	**18,900**
Non-current		
Clinician pension tax provision	180	225
Total non-current trade and other receivables	**180**	**225**

The decrease in Contract receivables - NHS relates primarily to the income that was accrued for in 2022/23 and received in 2023/24 from NHS England for funding the staff pay award offer arrears for 2022/23. All arrears of pay relating to 2022/23 were settled in June 2023.

Note 14.2 Allowances for Credit Losses - 2023/24

	Contract receivables and contract assets	All other receivables
	£000	£000
Allowances as at 1 Apr 2023 - brought forward		**52**
New allowances arising	-	36
Reversals of allowances	-	(5)
Allowances as at 31 Mar 2024	**-**	**83**

Note 14.3 Allowances for Credit Losses - 2022/23

	Contract receivables and contract assets	All other receivables
	£000	£000
Allowances as at 1 Apr 2022 - brought forward	**-**	**52**
Allowances as at 31 Mar 2023	**-**	**52**

The Trust considers debt over 90 days and not under a payment plan or arrangement to be impaired.

Note 15.1 Cash and cash equivalents movements

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

	2023/24	2022/23
	£000	£000
At 1 April	**55,196**	**53,865**
Net change in year	(2,584)	1,331
At 31 March	**52,612**	**55,196**
Broken down into:		
Cash at commercial banks and in hand	8	8
Cash with the Government Banking Service	52,604	55,188
Total cash and cash equivalents as in SoFP	**52,612**	**55,196**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**52,612**	**55,196**

Note 15.2 Third party assets held by the NHS foundation trust

Berkshire Healthcare NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2024	31 March 2023
	£000	£000
Bank balances	2	6
Total third party assets	**2**	**6**

Note 16.1 Trade and other payables

	2024	2023
	£000	£000
Current		
Trade payables - NHS	509	1,511
Trade payables - Non NHS	4,611	7,719
Capital payables	2,349	2,149
Social security costs	2,704	3,773
VAT payable	195	260
Other taxes payable	2,223	1,905
Pension contributions payable	3,573	3,149
Other payables	666	596
Accruals - NHS	1,457	1,216
Accruals - Non NHS	19,040	25,882
Total current trade and other payables	**37,327**	**48,160**

Note 16.2 Other liabilities

	31 March 2024 £000	31 March 2023 £000
Current		
Deferred income: contract liabilities	11,113	10,642
Total other current liabilities	**11,113**	**10,642**

Note 17 Borrowings

	31 March 2024 £000	31 March 2023 £000
Current		
Lease liabilities	2,523	2,471
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	3,682	1,721
Total current borrowings	**6,205**	**4,192**
Non-current		
Lease liabilities	12,512	12,714
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	42,360	22,065
Total non-current borrowings	**54,872**	**34,779**

Note 17.1 Reconciliation of liabilities arising from financing activities - 2023/24

	Lease liabilities £000	PFI schemes £000	Total £000
Carrying value at 1 April 2023	15,185	23,786	38,971
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,570)	(3,591)	(6,161)
Financing cash flows - payments of interest	(125)	(3,449)	(3,574)
Non-cash movements:			
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	19,891	19,891
Additions	1,099	-	1,099
Lease Liability Remeasurements	1,360		1,360
Remeasurement of PFI / other service concession liability resulting from change in index or rate		5,956	5,956
Application of effective interest rate	152	3,449	3,601
Early terminations	(66)	-	(66)
Carrying value at 31 March 2024	**15,035**	**46,042**	**61,077**

Note 17.2 Reconciliation of liabilities arising from financing activities - 2022/23

	Lease liabilities* £000	PFI schemes £000	Total £000
Carrying value at 1 April 2022	0	25,465	25,465
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,561)	(1,679)	(4,240)
Financing cash flows - payments of interest	(137)	(1,771)	(1,908)
Non-cash movements:			
Impact of implementing IFRS 16 on 1 April 2022	14,306	-	14,306
Additions	3,485	-	3,485
Application of effective interest rate	137	1,771	1,908
Early terminations	(45)	-	(45)
Carrying value at 31 March 2023	**15,185**	**23,786**	**38,971**

* Lease Liabilities for 2022/23 relates to operating leases that transitioned to finance leases under implementation and application of IFRS 16 Leases from 1st April 2022. For 2021/22 the Trust reported under IAS 17 Leases and therefore did not record liabilities against leases. The Trust opted for modified retrospective approach and therefore there are no comparatives for financial year 2021/22.

Note 18 Provisions for liabilities and charges analysis

	Pensions - other staff	Injury Benefits	Legal claims	Re-structur-ings	Redundancy	Capitalised Lease Dilapidations	Clinicians' pension reimburse-ment	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2023	**615**	**282**	**447**	**93**	**-**	**668**	**230**	**889**	**3,224**
Change in the discount rate	(16)	(17)				78	(40)	4	**9**
Arising during the year	37	-			311	189		47	**584**
Utilised during the year	(94)	(23)		(93)			(2)		**(212)**
Reversed unused	(66)	(1)	(168)			(75)	(14)	(418)	**(742)**
Unwinding of discount	81	18				(5)	12	(20)	**86**
At 31 March 2024	**556**	**258**	**279**	**-**	**311**	**855**	**186**	**502**	**2,947**
Expected timing of cash flows:									
- not later than one year;	94	23	279	-	311	42	6	123	**878**
- later than one year and not later than five years	376	92	-	-	-	43	9	152	**672**
- later than five years.	86	143	-	-	-	770	171	227	**1,397**
Total	**556**	**258**	**279**	**-**	**311**	**855**	**186**	**502**	**2,947**

Pensions - Other Staff

This relates to former NHS employees whose contract of employment was terminated prior to their normal retirement age, with the effect that the employing authority became responsible for making up any shortfall in pension contributions as a result of that termination up until the death of either the former employee or any remaining survivor. The provision is adjusted annually, taking into Government Actuarial Department changes to life expectancy for England and Wales. Where the pension is no longer payable, then this is reversed unused.

Timing and expectation of the provision and future cashflows is based on historical payments to the NHS Pension Agency for pensions currently paid up to the end of each financial year.

Injury Benefits

This relates to injury benefits arising to individuals as a result of an accident at work, which is paid by the NHS Pensions Agency and then reimbursed by the Trust.

Timing and expectation of the provision and future cashflows is based on historical payments to the NHS Pension Agency for pensions currently paid up to the end of each financial year.

Legal Claims

This relates to claims made against the Trust but which are not covered by NHS Resolution, and can include employment related tribunal cases.

Restructuring

This relates to anticiapted costs in respect of a restructure in the Trust that is being performed under a change management process.

Dilpaidations (Capital)

This is for the risks associated with commercial leasehold properties where at the end of the lease there is a requirement to return the property to landlord in the same condition as it was prior to occupation.

Dilapidations are now split between capital and revenue. Capital dilapidations relate to asset held under a lease liability where the risk is capitalised against the Right of Use asset. Revenue dilapidations include the brought forward balance of dilapidations prior to IFRS 16 Leases being implemented, and any change in dilapidation risk for leasehold property that are outside of IFRS 16 - including short term leases of less than one year or where the lease had already ceased but the liability for the dilapidation is still be negotiated.

Other

Realtes to provisions in respect of Liability to Third Party ('LTPS') scheme claims against the Trust handled by NHS Resolution where the foundation trusts maximum exposure is £10,000 per claim. Historic dilapidation provisions previously charged to revenue prior to implementation to IFRS 16 in April 2022 are included here.

Note 18.1 Clinical negligence liabilities

At 31 March 2024, £11,353K was included in provisions of the NHS Resolution in respect of clinical negligence liabilities of Berkshire Healthcare NHS Foundation Trust (31 March 2023: £18,902K).

Note 18.2 Contingent assets and liabilities

	31 March 2024 £000	31 March 2023 £000
Value of contingent liabilities		
NHS Resolution legal claims	(14)	(11)
Gross value of contingent liabilities	**(14)**	**(11)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(14)**	**(11)**

Note 19 Contractual capital commitments

	31 March 2024 £000	31 March 2023 £000
Property, plant and equipment	157	-
Intangible assets	-	-
Total	**157**	**-**

Note 20 On-SoFP PFI, LIFT or other service concession arrangements

The foundation trust operates two PFI schemes:

Prospect Park Hospital, Reading Berkshire

This PFI scheme is to design, build, maintain and operate (through facilities management and related services) a 120 bed mental health inpatient hospital facility. The hospital became operational in March 2003. At the end of the contract the hospital buildings will revert to the Trust's ownership.

The contract has a 32 year term, ending in 2033, and sees the Trust making a minimum unitary base payment that totals £4.02m annually. It is charged monthly and adjusted for RPI and according to any adverse performance against output measures describing all relevant aspects of the contract. Rates and utilities are borne separately by the Trust.

West Berkshire Community Hospital, Newbury, Berkshire

This PFI was originally managed by the former Berkshire West PCT prior to its dissolution on the 31st March 2013, when the PFI contract was transferred to the Trust. This facility operates services such as day case surgery and outpatient facilities. There are also a number of inpatient wards At the end of the PFI contract the hospital building will revert to the Trust's ownership.

The contract has a 32 year term, ending in 2033. The Trust makes a minimum unitary base payment that totals £1.46m annual. It is charged monthly adjusted for RPI, and according to any adverse performance against output measures describing all relevant aspects of the contracts. Rates and utilities are borne separately by the Trust.

Both PFI contracts were deemed as off-balance sheet when the Full Business Cases were approved prior to their design and construction. Following adoption of IFRS the Trust considers the contracts under IFRIC 4 Determining Whether an Arrangement Contains a Lease and IFRIC 12 Service Concession Arrangements and recognised the schemes as 'on-Statement of Financial Position'.

The substance of the two contracts is that the Trust has a finance lease and annual payments comprise three elements - finance lease rental, service charges and replacements of the asset components (lifecycle replacements). The element of annual finance lease rental is further split into three components: repayment of the finance lease principal, a finance cost and contingent rental representing the inflation increases. An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period. The implicit rate of interest for Prospect Park Hospital is 7.31%, whilst for West Berkshire Community Hospital it is 6.61%.

Total obligations for on-statement of financial position PFI contracts due:

Note 20.1 Imputed finance lease obligations

	31 March 2024 £000	31 March 2023 £000
Gross PFI, LIFT or other service concession liabilities	**63,392**	**62,901**
Of which liabilities are due		
- not later than one year;	6,880	5,621
- later than one year and not later than five years;	28,229	23,607
- later than five years.	28,283	33,673
Finance charges allocated to future periods	(17,350)	(39,115)
Net PFI, LIFT or other service concession arrangement obligation	**46,042**	**23,786**
- not later than one year;	3,682	1,721
- later than one year and not later than five years;	18,219	7,954
- later than five years.	24,141	14,111

Note 20.2 Total On-SoFP PFI, LIFT and other service concession arrangement commitments

Total future payments committed in respect of PFI, LIFT or other service concession arrangements	31 March 2024 £000	31 March 2023 £000
	150,475	**153,355**
of which due:		
- not later than one year;	15,436	13,384
- later than one year and not later than five years;	65,555	58,389
- later than five years.	69,484	81,582
	150,475	**153,355**

Note 20.3 Payments committed in respect of the service element

	31 March 2024 £000	31 March 2024 £000
Charge in respect of the service element of the PFI, LIFT or other service concession arrangement for the period	**87,083**	**87,521**
Commitments in respect of the service element of the PFI, LIFT or other service concession arrangement:		
- not later than one year;	8,556	7,638
- later than one year and not later than five years;	37,326	33,323
- later than five years.	41,201	46,560
Total	**87,083**	**87,521**

Note 20.4 Analysis of amounts payable to service concession operator

	31 March 2024 £000	31 March 2024 £000
Unitary payment payable to service concession operator (total of all schemes)	**15,387**	**13,057**
Consisting of:		
- Interest charge	3,449	1,771
- Repayment of finance lease liability	3,591	1,679
- Service element	8,347	7,452
- Contingent rent	-	2,155
Total amount paid to service concession operator	**15,387**	**13,057**

Note 20.5 Impact of change in accounting policy for on-SoFP PFI, LIFT and other service concession liabilities

IFRS 16 liability measurement principles have been applied to PFI liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

Note 20.6 Impact of change in accounting policy on the allocation of unitary payment

	IFRS 16 basis (new basis)	IAS 17 basis (old basis)	Impact of change
	2023/24	2023/24	2023/24
	£000	£000	£000
Unitary payment payable to service concession operator	**15,387**	**15,387**	**-**
Consisting of:			
- Interest charge	3,449	1,653	**1,796**
- Repayment of balance sheet obligation	3,591	1,721	**1,870**
- Service element	8,347	8,347	**-**
- Contingent rent	-	3,666	**(3,666)**

Note 20.7 Impact of change in accounting policy on primary statements

Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:	**£000**
Increase in PFI and other service concession liabilities	(23,977)
Decrease in PDC dividend payable	768
Impact on net assets as at 31 March 2024	**(23,209)**

Impact of change in PFI accounting policy on 2023/24 Statement of Comprehenaive Income:	**£000**
PFI liability remeasurement charged to finance costs	(5,956)
Increase in interest arising on PFI liability	(1,796)
Reduction in contingent rent	3,666
Reduction in PDC dividend charge	768
Net impact on surplus / (deficit)	**(3,318)**

Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:	**£000**
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(19,891)
Net impact on 2023/24 surplus / deficit	(3,318)
Impact on equity as at 31 March 2024	**(23,209)**

Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	**£000**
Increase in cash outflows for capital element of PFI	(1,870)
Decrease in cash outflows for financing element of PFI	1,870
Net impact on cash flows from financing activities	**-**

Note 21 Financial instruments

Note 21.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS trust has with clinical commissioning groups and the way those clinical commissioning groups are financed, the NHS foundation trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS foundation trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Foundation Trust treasury activity is subject to review by the Trust's internal auditor.

The Foundation Trust's financial instruments, other than those used for treasury risk management purposes, comprise cash and liquid resources and various items such as trade debtors and creditors that arise directly from its operations. The Trust does not undertake speculative treasury transactions.

Liquidity risk

The Foundation Trust's net operating costs are mainly incurred under legally binding contracts with local Clinical Commissioning Groups, NHS England and local authorities, which are financed from resources voted annually by Parliament. Under Payment by Results, the Foundation Trust is paid for activity on the basis of nationally set tariffs. For contracted activity, the Foundation Trust is paid in 12 monthly instalments throughout the year, which significantly reduces the Foundation Trust's liquidity risk. Performance in excess of contracted levels is paid in accordance with the terms of the legally binding contracts. The Foundation Trust finances its capital programme through internally generated resources and external borrowing where appropriate.

Foreign currency risk

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

Interest-Rate Risk

None of the Foundation Trust's financial assets or liabilities carries any real exposure to interest-rate risk. The Foundation Trust's owned assets are funded by public dividend capital, which is non-interest bearing and of unlimited term. The PFI assets, are funded by way of a Finance Lease which are at a fixed rate of interest over the full remaining term of the PFI contracts.

Credit Risk

Due to the fact that the majority of the Trust's income comes from legally binding contracts with other government departments and other NHS Bodies the Trust does not believe that it is exposed to significant credit risk. The maximum exposures as at 31st March 2024 are in receivables from customers, as disclosed in the Note 14.1 Trade and other receivables.

Note 21.2 Carrying values of financial assets

	Loans and receivables £000	Total £000
March 2024		
Trade and other receivables excluding non-financial assets	6,120	**6,120**
Cash and cash equivalents at bank and in hand	52,612	**52,612**
Total at 31 March 2024	**58,732**	**58,732**

	Loans and receivables £000	Total £000
March 2023		
Trade and other receivables excluding non-financial assets	13,660	**13,660**
Cash and cash equivalents at bank and in hand	55,196	**55,196**
Total at 31 March 2023	**68,856**	**68,856**

Note 21.3 Financial liabilities

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2024		
Obligations under leases	15,035	**15,035**
Obligations under PFI, LIFT and other service concession contracts	46,042	**46,042**
Trade and other payables excluding non-financial liabilities	27,966	**27,966**
Other financial liabilities		**-**
IAS 37 provisions which are financial liabilities	781	**781**
Total at 31 March 2024	**89,824**	**89,824**

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2023		
Obligations under leases	15,185	**15,185**
Obligations under PFI, LIFT and other service concession contracts	23,786	**23,786**
Trade and other payables excluding non-financial liabilities	37,230	**37,230**
IAS 37 provisions which are financial liabilities	1,336	**1,336**
Total at 31 March 2023	**77,537**	**77,537**

Note 21.4 Maturity of financial liabilities

	31 March 2024	31 March 2023
	£000	£000
In one year or less	37,904	46,400
In more than one year but not more than five years	35,775	31,777
In more than five years	34,249	39,131
Total	**107,928**	**117,308**

This table replaces the previous maturity analysis for financial liabilities. Previously this analysis has been performed on book values. However IFRS 7 (para B11D) requires this analysis to be based on undiscounted future contractual cash flow (ie gross liabilities including finance charges). Prior Year has been restated.

Note 21.5 Fair values of financial assets at 31 March 2024

	Book value	Fair value
	£000	£000
Trade and other receivables excluding non-financial assets	6,120	6,120
Cash and cash equivalents at bank and in hand	52,612	52,612
Total	**58,732**	**58,732**

Note 21.6 Fair values of financial liabilities at 31 March 2024

	Book value	Fair value
	£000	£000
IAS 37 provisions which are financial liabilities	781	781
Obligations under leases	15,035	15,035
Obligations under PFI, LIFT and other service concession contracts	46,042	46,042
Other	27,966	27,966
Total	**89,824**	**89,824**

Note 22 Losses and special payments

	2023/24		2022/23	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Fruitless payments	1	1	1	-
Bad debts and claims abandoned	2	-	1	-
Stores losses and damage to property	1	1	3	6
Total losses	**4**	**2**	**5**	**6**
Special payments				
Extra contractual to contractors	3	16	-	-
Losses of Personal Effects	6	4	18	4
Personal Injury with Advice	2	9	2	9
Other negligence and injury	-	-	4	8
Other Employment	4	56	1	2
Other Ex-gratia Payments	1	6	2	5
Total special payments	**16**	**91**	**27**	**28**
Total losses and special payments	**20**	**93**	**32**	**34**

Note 23 Related parties

Berkshire Healthcare NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Berkshire Healthcare NHS Foundation Trust.

The foundation trust considers material transactions as those being where the income or expenditure is over £250,000 per annum.

The Department of Health is regarded as a related party. During the year Berkshire Healthcare NHS Foundation Trust had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

	Income		Expenditure		Receivables		Payables	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000	£000	£000	£000	£000
NHS Foundation Trusts								
Frimley Health NHS Foundation Trust	597	854	1,699	2,363	571	653	722	1,322
Oxford Health NHS Foundation Trust	2,444	2,231	271	33	236	236	120	130
Oxford University Hospitals NHS Foundation Trust	427	563	52	69	17	1	-	3
Royal Berkshire NHS Foundation Trust	6,531	5,512	3,143	2,797	325	100	519	201
South Central Ambulance Service NHS Foundation Trust	422	1,049	157	154	-	-	26	-
Central and North West London NHS Foundation Trust	-	-	319	297	-	-	-	-
NHS Trusts								
Avon and Wiltshire Mental Health Partnership NHS Trust	-	696	1	630	-	-	-	157
Clinical Commissioning Groups (up to 30th June 2023)								
NHS Berkshire West CCG	-	38,002	-	-	-	-	-	-
NHS Buckinghamshire CCG	-	509	-	-	-	-	-	-
NHS Frimley CCG	-	26,427	-	-	-	-	-	-
NHS Oxfordshire CCG	-	27	-	-	-	-	-	-
Integrated Care Boards								
NHS Frimley ICB	120,518	82,134	-	-	92	26	1,547	1,846
NHS Buckinghamshire, Oxfordshire and Berkshire West ICB	179,407	126,381	470	-	1,606	341	6,186	3,636
NHS England and other associated organisations								
NHS England - Core	6,075	10,771	135	-	13	9,592	1,223	1,310
South West Regional Office	4,336	2,108	-	-	-	-	-	-
South East Regional Office	12,045	11,369	-	-	-	-	-	-
Other NHS Bodies								
Health Education England	-	5,526	-	-	-	12	-	2,208
NHS Resolution	-	-	2,045	1,543	-	-	-	-
NHS Property Services Ltd	122	206	4,266	5,861	85	130	-	-
Department of Health and Social Care	476	359	7	-	103	1	-	8
Local and Unitary Authorities								
Bracknell Forest Borough Council	4,081	3,882	41	164	407	49	41	78
Reading Borough Council	6,630	6,375	113	58	550	571	398	446
Slough Borough Council	1,157	950	211	177	602	131	5	27
West Berkshire Council	534	772	52	6	210	126	149	151
Windsor and Maidenhead (Royal Borough of)	335	342	74	36	10	38	89	113
Wokingham Borough Council	2,141	1,669	95	163	409	256	219	435
Other Whole of Government Account Organisations								
HM Revenue & Customs - VAT	-	-	-	-	1,911	1,765	195	260
HM Revenue & Customs - Other taxes and duties and NI contributions	-	-	21,828	20,473	-	-	4,927	5,678
NHS Pension Scheme	-	-	35,717	32,093	-	-	3,604	3,178
NHS Professionals	-	-	-	-	-	-	4,188	1,754
					-		-	
Berkshire Health Charitable Fund	15	15	-	-	-	-	-	-
Total	348,293	328,729	70,696	66,917	7,147	14,028	24,158	22,941