NHS
York and Scarborough Teaching Hospitals
NHS Foundation Trust

Annual Report And Accounts 2022/23

York and Scarborough Teaching Hospitals NHS Foundation Trust

Annual Report and Accounts 2022/23

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This Annual Report and Accounts have been prepared on a Group basis and include references to York Teaching Hospital Facilities Management Limited Liability Partnership which is a subsidiary company.

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Statement from Trust Chair

The following statement was written by the previous Chair of the Trust, who Chaired during the 2022/23 reporting period.

This is my second annual report as chair of York and Scarborough Teaching Hospitals NHS Foundation Trust and the end of my first full year in post. It has been an exceptionally busy and challenging year. It is therefore only right that I start by paying tribute to our staff. They have continued to provide and support the provision of safe, effective and caring services in the most trying of circumstances. The Board and I are indebted to them for their professionalism, resilience and unflagging commitment to their patients, to each other, and to the wider population we serve.

The year began with the hope that pressure on the Trust would reduce as we emerged from the worst effects of the Covid-19 pandemic. That proved to be something of a false dawn: one year on, we are still feeling the effects of a stubbornly high rate of Covid-19 infection in the community. This impacts on us in a variety of ways, including staff absences and bed closures, reducing our capacity to meet the demands of the 'normal' workload borne by our emergency, acute, elective and community services. It has also continued to restrict access to primary care, which has led to additional work for our emergency departments and urgent treatment centres. At the same time, demographic changes mean that we are treating ever increasing numbers of frail and elderly patients, often with one or more long-term conditions such as dementia, diabetes and chronic heart and lung disease. The pressure is increased still further by the crisis in adult social care which makes it difficult for us to safely discharge patients who no longer need to be in our acute hospitals. And like all acute Trusts we started the year with a substantial backlog of planned procedures and appointments which built up during the pandemic. Putting all of this together, it is no exaggeration to say that we have been facing a perfect storm.

I must mention two additional factors which have shaped our year. The first is our inspection by the CQC which began in March 2022 and is nearing completion. The second is the ongoing series of strikes by a number of staff groups, including nurses and junior doctors.

Although we are still waiting for the report of the CQC inspection, we have received both formal and informal feedback during the year. Some of it has been difficult to hear, because the inspectors have identified shortcomings on our medical wards, in our emergency departments and maternity services, and in governance and leadership. We have taken immediate action to correct specific failings, and we are determined to learn the lessons for all our services. Although we know the report is unlikely to reflect well on the Trust, we will respond in the same way that we have done to the early feedback: we will treat it as an opportunity to learn and to improve. I have no doubt that we will succeed, because we are blessed with a workforce made up of exceptional people who perform to the best of their ability in very difficult circumstances. We need to ensure that they have the leadership, the support and the resources they need to deliver high-quality care on a more consistent basis. One of the things the inspection has emphasised is the historically low level of our nursing establishment compared with other acute Trusts. Addressing that will be difficult at a time when money is tight, but it is something we must do.

The strikes have inevitably had an impact on our performance in the latter stages of the year. In particular, they have led to the cancellation of many elective procedures and appointments at a time when we were making good progress in tackling the backlog. We have, however, been able to protect some of the most urgent elective work, particularly for cancer patients; and we have maintained provision of safe services across our emergency, acute and community services. That we

have managed to do so is a tribute to the flexibility and sheer hard work of those colleagues who have not been on strike and on the goodwill of the unions who have allowed some striking members to continue to work, in order to maintain essential services. The decision to strike is not one that any healthcare professional takes lightly, and in my view it reflects a deep sense of concern about the future of the NHS as well as discontent about the erosion of real-terms pay.

It would be remiss of me to focus only on the challenges we have faced. There have also been numerous positive developments, and I have space to mention only a selection. At the start of the year we opened a new £2.5m, purpose built, intensive care unit at York Hospital, providing six new isolation beds for critical care. The start of the year also marked a ground breaking ceremony to mark the official start of the £47m scheme to build a new emergency department and critical care centre at Scarborough. At around the same time we opened a new, lifesaving helipad at Scarborough Hospital, thanks to a £500,000 donation by the HELP Appeal. June 2022 saw the installation of a new robotic surgical system at York Hospital, enabling surgeons to perform delicate and complex operations through a few small incisions, funded by a generous donation of £680k by local charity York Against Cancer. In August we started the roll-out of Nucleus, a new digital workflow system that enables our teams to record patient information via hand-held devices, saving a substantial amount of time and paper and leading to much better record keeping. Nucleus is now well-established in all our inpatient wards.

In September, for the first time in three years, we were able to hold the Celebration of Achievement Awards to recognise the outstanding achievement of individuals and teams who have gone beyond the call of duty to deliver exceptional care to patients. October saw another notable celebration, this time in Scarborough, where international colleagues came together to create the Trust's first ever Festival of Culture. In December we launched a new service at Bridlington Hospital to enable local people who require surgery in York or Scarborough to have their pre-operative assessment at their local hospital. This is part of our commitment to provide services close to home wherever it is safe and cost-effective to do so. And finally, in March we held an opening ceremony for the Butterfly maternity bereavement suite at York Hospital. This was funded through a campaign by the York and Scarborough Hospitals Charity, including a £95,000 donation by the local branch of the stillbirth and neonatal charity, Sands.

I should also mention the contribution that many colleagues have made throughout the year to the development of the Humber and North Yorkshire Health and Care Partnership. As an acute Trust we have a key role to play within the Partnership, which encompasses not only the commissioners and providers of NHS services, but also a range of partner organisations in local government and in the voluntary and independent sectors. Many of the challenges we face as a Trust require solutions that can only be delivered if we work collaboratively and with a common purpose with our system partners. We will continue to be an active and enthusiastic member of the Partnership, committed to acting as good “system players” rather than focusing narrowly on our own organisational interests.

It is now only a matter of weeks before we open the £18m extension to our York emergency department which gives us much-needed additional space to reconfigure and improve the way we provide services to patients needing urgent or emergency care. It will not be sufficient on its own to relieve the pressure on our emergency and acute services, but it is indicative of our determination to seize every opportunity to improve our facilities, to provide our staff with the resources they need, to reduce the backlog which is one of the enduring legacies of Covid-19, and to demonstrate to staff and patients that the Trust is both a good place to work and a safe and caring place to receive treatment.

Signed by:

Mark Chamberlain (appointed Interim Chair - May 2023)
Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust, June 2023

2022/23

Statement from Trust Chief Executive

The 2022/23 year has seen a significant shift in focus for the NHS from managing the pandemic to returning to delivery of a full range of services and addressing the backlogs of patients waiting for appointments, diagnostics, and planned procedures.

Whilst Covid-19 has not gone away, we are now adjusting to 'living with Covid' and all that this entails. This means that we are able to focus on recovery, and building back our services.

The magnitude of this task cannot be overstated. Meeting the trajectories for treating our longest-waiting patients has been extremely challenging, and we have received national and regional support and oversight from the Tier 1 process to aid elective recovery.

Despite these pressures a huge amount of work has been undertaken by our teams and positive progress has been made for 78 week waits and the 62 day cancer target, particularly in the final quarter of the year. As a result, we ended the year ahead of our original trajectories.

All of the actions taken to deliver this will continue into next year in order to deliver the national requirement of having no patients waiting longer than 65 weeks by the end of March 2024.

The extent of the operational pressures we have faced has remained consistently high throughout the year, and we continue to see delays to the flow of patients through our hospitals. Patients are experiencing longer waits than they should expect, from arriving in the emergency department through to being discharged, which is a symptom of a health and care system working at the limits of its capacity.

We are by no means alone in this, and nor can we solve it solely through our own actions as a Trust. Regular conversations are taking place with our health and care system partners as to what further steps can be taken and what support we may be able to access to alleviate these ongoing pressures. We remain engaged with all health and care partners to continue to build on the broader system response, recognising that some of this will take longer to have an impact.

Our staff continue to do an amazing job in the face of these challenges, however working in this context for such a prolonged period is undoubtably having an impact on our workforce, and this is reflected in our staff survey results this year.

Given our focus on supporting our workforce and placing people as our priority, it is disappointing to see some of the feedback, in particular in relation to staff engagement. We know however that the scale of the culture change we need to deliver in our organisation is going to take time, and we must not lose sight of the important work we have begun in this regard. The results tell us that we have much more to do, and we have to continue to prioritise this.

We have also seen widespread industrial action across the NHS as a response to the ongoing dispute between health unions and the Government over pay and conditions. Inevitably there was a consequence to these strikes, and many planned operations and appointments were postponed.

As the year draws to a close, the unions representing Agenda for Change staff have suspended further action whilst talks continue, however the BMA is yet to suspend its action with further junior doctor strikes planned for 2023/24.

The Trust has been under Care Quality Commission (CQC) inspection for much of the year. Following publication of their earlier report in March 2022, the CQC visited both the York and Scarborough sites in October. This was in part to re-inspect the areas they visited at York Hospital in March, but also to carry out a fuller inspection which included the emergency departments, medicine, and maternity at both York and Scarborough Hospitals.

The CQC also carried out a well-led inspection of the Trust as part of its wider inspection of the organisation. This involved interviews and focus groups with the Board and other senior leaders and subject-matter experts. In addition they re-visited a number of clinical areas on both sites, including the emergency departments and maternity units, to follow up on the actions we committed to undertake following their October inspection.

It is pleasing to see that the CQC found improvements in the emergency department at York in relation to management of demand, risk and escalation, as these were flagged as areas of concern during the October visit. They observed improved systems for managing demand particularly in the majors waiting room, improved record keeping, and more timely risk assessment and response to escalation of risk to patient safety.

However the CQC did find concerns in the maternity department at York, specifically in relation to governance processes, and assessing and responding to risks for patients.

In response to the concerns raised by the CQC we submitted detailed action plans, and regularly report progress against these plans to the CQC.

We are yet to receive the formal report, however we expect it to be published in the first quarter of 2023/24. Improving the quality and safety of our services and responding to the CQC's recommendations will be a key priority in the year ahead.

Integrated Care Systems became statutory entities in the summer, and the Humber and North Yorkshire Integrated Care Partnership is taking shape. We are increasingly engaging with the six Places that make up our ICS, as well as the collaboratives, to further embed the new system way of working.

The ICS as a whole has a duty to produce (and deliver) a balanced financial plan, and as a provider organisation within the ICS our plans must also balance to contribute to the ICS's delivery of its obligations. Reducing income, set against significant expenditure pressure, is placing significant demands on wider NHS funding, indicating that next year is likely to be particularly challenging.

As we embark our recovery and plan with ambition for the future, it is pleasing to report on positive developments that will help us to improve the experience for our patients and staff, and the quality of care we provide.

The scheme to redesign and expand the emergency department in York is nearing completion. This will provide a new eight bedded resuscitation area, along with improvements to both the waiting room and the consultation and treatment areas to increase capacity and provide better care for patients.

The £47m scheme to build a new urgent and emergency care centre at Scarborough Hospital is also well underway and due to open in spring 2024. The scheme will see the creation of much improved

facilities for urgent and emergency care and critical care, and represents the largest investment ever made by the Trust.

We have also seen major digital developments coming online this year. For example, a new system to streamline nursing documentation has been rolled out in all adult inpatient units.

Known as Nucleus, the new system is installed on mobile phones to replace lengthy and time-consuming paperwork. The technology was developed in-house and is designed to help reduce duplication of work and make it easier to conduct risk assessments which are an essential part of safe patient care.

Our nurses and healthcare assistants have remarked on how much quicker and easier it is to see the care given which means they can spend more time with patients ensuring their needs are met.

The implementation of BadgerNet, an electronic maternity healthcare record system for all documentation in pregnancy, birth and the postnatal period, has also begun.

It will deliver significant benefits for midwives as they do not have to double enter data onto paper handheld notes and the electronic paper record.

The introduction of BadgerNet also means that pregnant women will be able to access their maternity record electronically through an online portal and app.

It is vital that we deliver these ambitious developments to secure services for the future that our patients expect and deserve, and help to make us an organization that our fantastic staff are proud to be part of.

Simon Morritt

Chief Executive, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2023

Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

Statement of purpose

The principal purpose of the Trust is the provision of goods and services for the purpose of the health service in England.

The Trust is registered with the CQC to provide safe care that is responsive and effective.

We are an NHS Foundation Trust. Foundation Trusts operate independently of the Department of Health, but remain part of the NHS. This gives us greater freedom and more formal links with patients and staff, who we are accountable to through an elected and appointed Council of Governors (CoG).

The Trust covers one of the biggest geographical areas in the country. We are a large integrated acute and community Trust that provides a comprehensive range of clinical services to a catchment population of approximately 800,000 people living in York, North and East Yorkshire and Ryedale, an area covering 3,400 miles. This includes the City of York but also covers a large rural geography with a dispersed population.

Services are provided from two main acute hospital sites in York and Scarborough but also from a range of other facilities including community hospitals and community units in York, Selby, Malton, Easingwold and Bridlington.

Both York and Scarborough hospitals have Accident and Emergency and critical care units and are admitting sites for emergencies and complex elective care. They both provide inpatient maternity and neonatal services, as well as children's inpatient services, along with a wide range of outpatient services.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate. The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust and Hull University Teaching Hospitals NHS Trust to strengthen the delivery of services.

We are part of the Humber and North Yorkshire Integrated Care Partnership which brings together health and social care partners across York, North Yorkshire, East Riding, Hull, North Lincolnshire and North East Lincolnshire. Together we have a shared ambition for the people living in these communities to Start Well, Live Well and Age Well.

About us

Our history

York Hospital opened on its current site on Wigginton Road in 1976. When it first opened the Hospital had 600 beds and replaced numerous smaller sites, including Acomb Hospital, City Hospital, York County Hospital, Deighton Grove Hospital, Fulford Hospital, Military Hospital and Yearsley Bridge Hospital.

York Health Authority became a single district Trust in April 1992, known as York Health Services NHS Trust and became York Hospitals NHS Foundation Trust on 1 April 2007. The Trust then decided to adopt 'Teaching' into its name, which was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

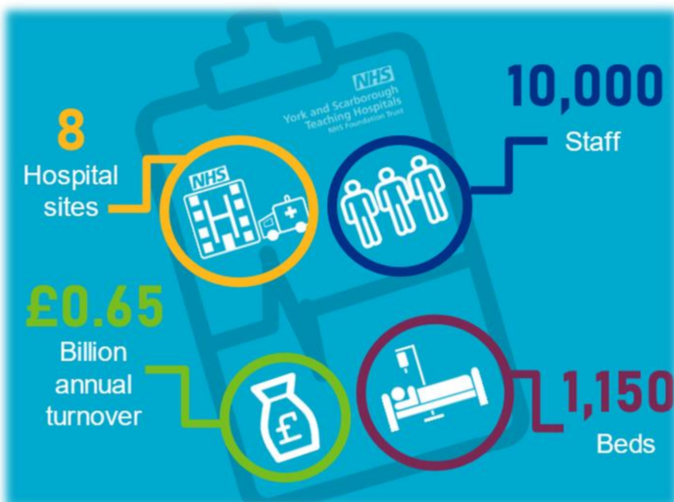
In April 2011, the Trust took over the management of community-based services in Selby, York, Scarborough, Whitby and Ryedale, and in July 2012 acquired Scarborough and North East Yorkshire Healthcare NHS Trust, bringing Scarborough and Bridlington hospitals into the organisation.

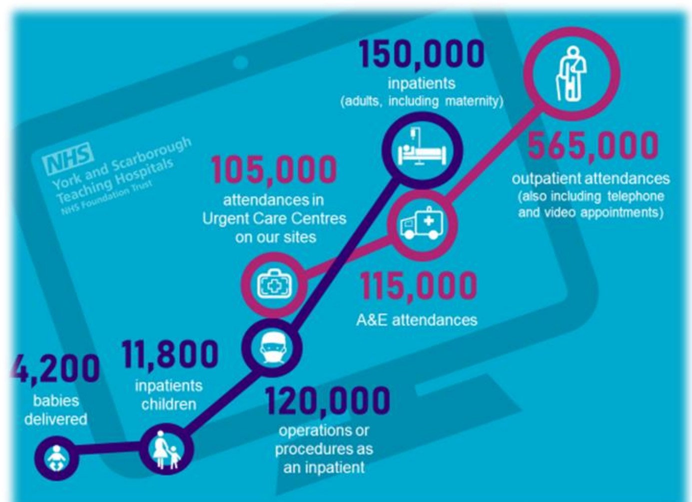
Geography and demographics

Our Trust provides a comprehensive range of acute hospital and specialist healthcare services for approximately 800,000 people living in and around York, North Yorkshire, North East Yorkshire and Ryedale - an area covering 3,400 square miles. Our sites include:

- York Hospital
- Scarborough Hospital
- Bridlington Hospital
- Malton Hospital
- The New Selby War Memorial Hospital
- St Monica's Hospital Easingwold
- White Cross Rehabilitation Hospital
- Nelsons Court Inpatients Unit

Snapshot of Trust overview





York Teaching Hospital Facilities Management Limited Liability Partnership

York Teaching Hospital Facilities Management (YTHFM) was created in 2018 and is a wholly owned subsidiary of York and Scarborough Teaching Hospitals NHS Foundation Trust (YSTHFT) providing a range of Estates and Facilities Management services. The organisation is comprised of two Members - YSTHFT (95% shareholder) and Northumbria Healthcare Facilities Management Limited (NHFML) (5% shareholder).

YTHFM is led by a separate Management Group with its own Member Representatives, Chair, Managing Director and senior leadership team. NHFML is represented by one of their Directors.

The organisation employs 1031 employees and this is set to increase over the coming years, which will include the employment of additional apprentices and graduate trainees.

YTHFM's primary aim is to promote and foster close partnership working with the Trust to ensure the delivery of a safe, high quality and cost-effective Estates and Facilities Management service. This in turn will enable the Trust to deliver its Clinical Strategy – '**Building Better Care Together'.**

For the reporting period the annual operational budget in excess of £79m and capital investment programme of circa £61m. YTHFM is also one of the largest contributors to the local economy in terms of supply chain with an increasing focus on using local contractors where that is possible.

Over the past year YTHFM has aligned its strategy to the Trust's Building Better Care priorities (Our People, Quality and Safety, Elective Recovery and Acute Flow) with the following key achievements having taken place or continuing throughout the year:

- Delivered a bottom-line surplus of just over £2m back to the Group (YSTHFT).
- CIP of £1.123m delivered.

Our People

- Continuation of the New Start Programme (YTHFM's people programme) supporting the workforce in a large number of areas.
- 50 staff have volunteered time to working groups and have co-produced new internal Communications Plan, Leadership Charter, improved approach to supporting wellbeing and raising the profile of the Freedom to Speak Up Guardian role,
- Skills audit completed and Succession Plan developed
- The "Aspire and Inspire" Leadership and Management development and training programme designed.
- Ten Values Ambassadors trained to promote and help embed YTHFM values and behaviors.
- Healthcare Cash Plan launched to support wellbeing.
- Eight Mental Health First Aiders trained.
- Training on customer service skills.
- Strengthening stakeholder engagement with external partners.
- Supporting the Trust through national strikes.

Quality and Safety:

- Continuation of the new Scarborough Hospital Emergency Care build.
- Continuation of the York Emergency Department refurbishment build.
- New CCTV Control Room at Scarborough Hospital with additional staff.
- Investment in CCTV across all sites.
- Quality, Service Improvement and Redesign practitioner training with NHSE commenced with senior managers.

- Capital Projects - £61m invested (inclusive of backlog maintenance and new and replacement equipment) across YSTHFT sites.
- Modernising working practices - £1m investment in new and replacement equipment (included in the above capital projects investment amount).
- Backlog maintenance and ward upgrades. Delivered 52 backlog maintenance projects with a value of £2.6m (included in the above capital projects investment amount).
- Carbon Reduction contributing to sustainability and net zero by delivering two phase 3 Public Sector Decarbonisation Scheme programmes. One exemplar scheme at Bridlington Hospital predicted to reduce carbon emissions at that site by around 80-85% with a solar farm, increased insulation, new efficient motors, a new low carbon (heat pump) system and also solar panels on the hospital roofs.

  At York, external insulation and new windows have been installed to the main ward block at the back of the hospital works along with insulation to pipework and low carbon heating will be installed in the Summer 2023. The scheme is predicted to result in an 8% reduction in carbon emissions.

  These projects have received £4.735m grant for Bridlington hospital and £4.338m for York.

  Carbon reduction commitments also include a reduction in face to face meetings through the use of virtual meetings and consultations, reduction in air pollution from our transport through the use of 9EVs on our fleet. E scooters and E bikes are available at York hospital and surrounding areas and public transport promoted serving Scarborough and York Hospitals, a pilot free bus scheme for staff using the public transport provided on conjunction with First York and East Yorkshire Bus Company, increasing facilities for those choosing cycling as a means of travel to our main sites, 100% green electricity tariff used, phasing out the use of desflurane (an anaesthetic gas with significant global warming potential) with zero use from November 2022, and single use plastic takeaway containers have been replaced with compostable alternatives alongside the sale of reusable cups.

- Reconfiguration of the community estate including investment in York Community Stadium.
- Investment in a new Automated Number Plate Recognition system to improve the patient experience with car parking flow and payments across the sites.

The Trust's Compliance team monitor YTHFM's delivery from cleanliness, food waste, portering, policy and procedures through to the environment and equipment with overall KPI compliance improving from 87.3% of the KPIs measured being in green (51 KPI's in total), 9.52% in amber (6) and 3.17% in red (2) in 21-22, to 87.72% green performance (50), 8.77% amber (5) and 3.51% (2) red in 2022/23.

This provides positive assurance to the YTHFM Management Group and Trust Board Of Directors (BoD) so they have peace of mind that the job is carried out professionally and to the highest standards.

Our focus during 2023 will be to work in collaboration with our ICS partners, continue to support and act as an enabler of the Trust's Clinical Strategy, with the delivery of the Capital and Backlog Maintenance programme across our sites, implement the new National Cleaning Standards in full and continue to deliver safe high quality estates and facilities management services that enhance the patient experience and support excellence in patient care.

Key Issues and Risks

Covid-19 and Clinical Sustainability

The Trust has continued to work with some of our most challenged and pressured specialties across all sites to improve outcomes for patients and ensure service provision in the long term.

The Trust recently developed a coherent organisational strategy for the period up to 2023 which is being reviewed this calendar year. Key goals of delivering safe, effective and high-quality care, supporting an engaged, healthy, diverse and excellent workforce and contributing to the system's sustainability have been identified.

As part of the strategy, the Building Better Care Transformation Programme was developed as the key means of delivering the recovery plan post Pandemic to ensure the Trust achieves clinical sustainability. Work streams relating to acute care, planned care, diagnostics, integrated care and cancer are being progressed.

Work has also been undertaken assessing the clinical sustainability of key clinical services including an analysis of the current and future workforce requirements, current and future activity in each service and an assessment of clinical service interdependency within the organisation and with neighbouring partners.

The Scarborough Acute Services Review (completed in 2022) was progressed as an important part of this work.

The review featured the active involvement of clinicians and managers from the locality and wider Trust, along with a number of partners and colleagues from primary care, commissioning organisations and the Humber and North Yorkshire Health and Care Partnership.

The review focussed on a detailed appraisal of existing hospital clinical services, evaluating potential clinical models to address identified issues which contain proposals for sustainable future service delivery.

A key part of the review also related to overseeing and taking forward the development of the capacity and integration of the interface services (planned and unplanned) across secondary, primary, and community care in the Scarborough and Bridlington localities.

The review and activity associated has been subsumed within the emerging Humber and North Yorkshire Heath and Care Partnership Integrated Care System (ICS) and place-based arrangements that have started to be implemented and the Trust will continue to play a leading role in this work.

Notwithstanding this work, the Trust has already been involved in a number of other system wide transformational initiatives and service changes to improve the clinical sustainability of some of its services. In working with health and care partners on a larger geographical footprint, the Trust is part of collaborative networks for major trauma, critical care, cardiology and specialist rehabilitation and radiology and pathology services.

The Trust is an active member of a developing Humber and North Yorkshire Cardiac Network of clinicians and managers from all sectors involved in the care pathway which has been set up to review and implement a recently published national specification of standards.

Key priorities include full reviews of the heart failure, acute coronary syndrome (ACS)/ non-ST-elevation myocardial infarction (NSTEMI) and cardiac rehabilitation pathways and worked up plans to ensure compliance with standards along with a post Covid-19 Recovery strategy covering diagnostic service enhancements and development of performance targets.

The radiology group, involving senior clinicians and managers from the Trust, Hull University Teaching Hospitals NHS Trust (HUTH) and Northern Lincolnshire and Goole NHS Foundation Trust (NLAG), has established a cross- organisational reporting hub to share capacity across partner Trusts, improving access to specialist reporting and maximising flexibility and working patterns for staff.

The pathology group of senior clinicians and managers from the Trust and HUTH (now established as a formal joint collaborative partnership across both organisations) is developing a detailed work programme of shared equipment investment to improve reporting, training of advanced practitioner staff to create additional capacity and progression of a common information management system.

The Trust continues to work and develop its longstanding relationship with Harrogate and District NHS Foundation Trust on a number of service areas, where there are mutual benefits. This includes working together on vascular, head and neck and renal services to improve clinical quality and sustainability for patients across our shared geographical footprint.

The Trust recognises that the retention of existing staff and recruitment of new staff is a crucial part of the sustainability work. Further recruitment campaigns for key clinical groups and new degree and apprenticeship qualifications are being developed in partnership with local universities and colleges.

Financial Sustainability

In 2023/24 the NHS has three key tasks. The immediate priority is to recover core services and productivity. Second, as the NHS recovers, we need to make progress in delivering the key ambitions in the NHS Long Term Plan. Third, we need to continue transforming the NHS for the future.

The NHS Long Term Plan, published in January 2019, set out the transformation of services and outcomes the NHS will deliver by 2023/24 by investing the long-term revenue settlement the NHS has received from the government. The NHS and its partners used this stability to develop local system-wide strategic plans during 2019 that will put the NHS on a sustainable financial footing whilst expanding and improving the services and care it provides patients and the public.

Putting the NHS back onto a sustainable financial path is a key priority in the Long-Term Plan and is essential to allowing the NHS to deliver the service improvements in this Plan. This means:

- The NHS (including providers) will return to financial balance.
- The NHS will achieve cash-releasing productivity growth of at least 1.1% a year, with all savings reinvested in frontline care.
- The NHS will reduce the growth in demand for care through better integration and prevention.
- The NHS will reduce variation across the health system, improving providers' financial and operational performance.
- The NHS will make better use of capital investment and its existing assets to drive transformation.

In 2022/23 the NHS continued to rise to the challenges of restoring services, meeting the new care demands and reducing the care backlogs that are a direct consequence of the pandemic. The Covid-19 pandemic necessitated simplified finance and contracting arrangements that supported systems to dedicate maximum focus to responding to immediate operational challenges. To support the next phase of service restoration, the financial and contracting frameworks needed to evolve to enable systems to take the appropriate funding decisions for their populations. The fundamental part of the changes was the new Health and Care Act 2022 which received Royal Assent on 28 April 2022. Key provisions in the Act came into force from 1 July 2022. From this date, Integrated Care Boards (ICB) were established, and clinical commissioning groups (CCGs) abolished.

The creation of ICBs allows NHSE to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver financial balance. NHS providers within the ICS retain their current structures, governance, and organisational financial statutory duties but there is a new duty to compel providers to have regard to the system financial objectives.

Group Going Concern Assessment

The going concern concept is fundamental to the way in which the assets and liabilities are recorded in the Group accounts and assumes that the Group will be able to realise its assets and liabilities in the normal course of business and that it will continue in business for the foreseeable future. The future should be at least, but not limited to, a period of twelve months from the end of the reporting period. For Foundation Trusts there is no automatic presumption that they will always be a going concern, particularly where difficult economic conditions and/or financial difficulties prevail.

Updated public sector Guidance on the Going Concern assessment

For 2020/21-year end onwards NHSE and Improvement provided an update to guidance for NHS accounts for assessing going concern. This guidance has been approved by the Financial Reporting Council (FRC) and updated in both the DHSC Group Accounting Manual (GAM) and HM Treasury's Financial Reporting Manual (FReM).

The updated guidance states *'while management in the NHS bodies will still need to document their basis for adopting the going concern basis, this assessment should solely be based on the anticipated future provision of the services in the public sector. This means that it is highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose'.*

Management have completed a full going concern assessment and it is recommended that the BoD prepare the Group 2022/23 annual accounts based on the going concern principle.

Trust financial position 2022/23

At the end of the financial year, the Trust reported an income and expenditure surplus of £10.6m: this position is then adjusted by a serious of technical adjustments in the sum of (£10.5m), the largest of these is the removal of donated asset income of £10m, this is income received in the form of a Government Salix grant and relates to energy and carbon reduction schemes. When all these items are adjusted, the final regulator assessed position of the Group is a £0.147m surplus.

The Group cash position remains strong with a closing balance of £50.3m.

Planning and Budgets

The initial planning work has underlined that the funding position is incredibly challenging for 2023/24, as the Group moves away from an emergency operating position to one of recovery; this

position is mirrored throughout the Humber and North Yorkshire ICS and indeed across the wider NHS.

We have worked constructively with our ICS partners to produce an extremely challenging financial plan for 2023/24 – the final approved plan is a £15.4m deficit for the Trust.

The final Board agreed plan will be used to set the Group operational budgets.

Working Capital and Liquidity

The Group starts the year with a strong cash position of £50.3m and the Group continues to operate an enhanced cash management regime with monthly operational cash meetings and monthly debtor meetings with all Care Group finance teams and the cash position is regularly reviewed at a senior level within the finance team.The Group is not expecting to have any cash issues in 2023/24; however, it is fully expected the position will become much tighter given the challenging financial planning position and working capital will need to be monitored carefully.

Sustainable Resource Deployment

Although managing Covid-19 has understandably been the dominant factor over the last three years, the Group has continued, where possible, to engage in several regional and national work streams, including:

- The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2022/23 and re-invigorate this work following the COVD19 period.
- The Group continues to be a key partner within the Humber and North Yorkshire system.
- The Group has a solid record in delivering of its CIP; the main challenge in 2022/23 has been the re-engagement of operational and clinical staff in the program, this is clearly understandable given the incredibly difficult operating conditions however the national expectation is this work is now a priority in 2023/24 to support the recovery of services; within the financial plan the Group savings requirement is currently set at £29.6m (4.3%).

Financial and Operational Risk Management

The operational standards in place for 2023/24 are focused on the very significant challenge to recover the well-publicised back log of elective patients; revised incremental thresholds have been published as part of the operational guidance:

- Eliminating RTT waits over 65 weeks by March 2024.
- Eliminating RTT waits over 52 weeks by March 2025.
- Continue to reduce the number of Cancer patients waiting over 62 days.
- Meet the cancer faster diagnosis standard by March 2024 so that 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days.
- 25% reduction in outpatient follow ups by March 2024.

These will of course prove very challenging given the continued operational pressures still being felt at the front line.

During 2018/19 the Trust was successful in its outline bid for £40m capital for a major investment in the Scarborough Hospital site. This was fully approved in the sum of £47m; the change in value was due to project scope change, with the inclusion of new ICU facilities. The building work is progressing well, and the main building works are due to be completed in Q4 2023/24, with a view

to the unit opening in April 2024. This is a very significant national investment and shows a high level of confidence in the system.

- The Group has a well-developed performance management framework with all Care Groups attending an executive oversight and assurance meeting quarterly, this process is supplemented by the Care Groups own governance processes.
- Corporate governance continues to be high on the Group's agenda. Revised arrangements have been implemented and governance continues to be monitored, reviewed, and strengthened where applicable.

Workforce Sustainability

Workforce sustainability forms part of the Staff Report which can be found on page 91.

Performance Analysis

How the Trust measures performance

The Trust provides services within hospitals and to the community, using a variety of measures to track performance. These measures cover areas including emergency care, cancer care, waits for elective treatment, infection controls standards, the delivery of healthcare for people with learning disabilities and data completeness.

On a monthly basis the Board considers performance against these measures; each Care Group's performance is monitored via the Trust's Executive Oversight and Assurance meetings. Trust performance is regularly reported to NHS England. More detailed discussions take place in the Trust Board's Sub Committees which meet monthly. Details of the Trust's performance during the year can be seen in the table overpage.

In Quarter 1 of 2022/23 the Trust adopted the principles of NHSE's "Making data count" particularly the use of Statistical Process Control (SPC) rather than 'simple' techniques such as the popular Red, Amber, Green (RAG) approach. This approach to the use of data gives the Trust a detailed understanding of the organisation's performance trajectory utilising a wide range of inter-connected data including key financial information.

Statistical process control (SPC) is an analytical technique, underpinned by science and statistics, that plots data over time. It helps us understand variation by examining the trend and in so doing guides us to take the most appropriate action.

We are working to implement this approach from ward to board to make better use of our data and to make data count to inform our decision-making.

The Delivery plan for tackling the COVID-19 backlog of elective care was published by NHS England in February 2022. This plan set out several ambitions, including:

1. That the waits of longer than a year for elective care are eliminated by March 2025. Within this, by July 2022, no one will wait longer than two years, we will aim to eliminate waits of over 18 months by April 2023, and of over 65 weeks by March 2024.
2. Diagnostic tests are a key part of many elective care pathways. Our ambition is that 95% of patients needing a diagnostic test receive it within six weeks by March 2025.
3. The NHS has continued to prioritise cancer treatment throughout the COVID-19 pandemic, and we have consistently seen record levels of urgent suspected cancer referrals since March 2021. To maintain this focus, our ambition is that, by March 2024, 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days. This will help contribute to the existing NHS Long Term Plan ambitions on early diagnosis. Local systems have also been asked to return the number of people waiting more than 62 days from an urgent referral back to pre-pandemic levels by March 2023.

Elective Backlogs was one of the Board priorities for 2022/23 and the Trust eliminated waits of over two years by July 2022 (excluding Covid positive or patients who chose to wait longer) however following declaring in November 2022 that the Trust was not going to deliver zero 78-week RTT waiters at the end of March 2023 the Trust was moved to Tier 1: National Oversight of the Elective recovery support programme.

This support included the NHS England (NHSE) Elective Intensive Support Team (IST) completing a two-day visit to the Trust to review our processes and identify opportunities for improvement. The IST completed a report on their findings for the NHSE Regional Team.

The Trust received the final version of the Intensive Support Team report and agreed support objectives with the Regional Team in January 2023. The report confirmed the areas the Trust had identified as concerns and noted the high risk to the delivery of the RTT78 week and cancer 63 day wait trajectories.

Through the Tier 1 programme, the Trust was provided with management and analytical capacity through EY Consultancy funded by NHSE, with a dedicated member of staff to progress mutual aid and agreed support for analytics on diagnostic demand and capacity. This commenced from the 9th of January 2023. The Trust also receive on-site support from the Intensive Support Team from the end of January 2023, with a view to 6 months of support. This has focused on strengthening governance and recovery planning for core specialities, refreshing the patient tracking processes, demand and capacity analysis and data reporting.

In December 2023, as part of the Tier 1 programme the Trust submitted an updated 78-week RTT waiters trajectory for the end of March 2023 of 397, The Trust significantly over delivered on the trajectory delivering 192 waiters and has declared an intention as part of the Tier 1 regime to deliver zero 78-week RTT waiters by the end of June 2023.

The Trust remains under Tier 1 for the Cancer 62-day backlog. The Trust remained off trajectory to meet the target 121 for the end of March 2023, with 162 patients waiting over 63 days at the end of March 2023. This does however represent a significant improvement on the end of January 2023 position (335).

The 2023/24 cancer priorities have been developed and are aligned to the national asks, cancer alliance plan and funding allocations. This includes the delivery of 80% of lower GI referrals with an accompanying FIT result.

The 2023/24 Elective Programme has now been agreed with the key aim to:

To ensure everyone has access to safe, timely and patient focused elective care.

There are three primary drivers within this programme:

- Referral to Treatment: See and treat patients within 18 weeks of referral. By March 24 no patient to wait longer than 65 weeks.
- Cancer: Diagnose patients within 28 days of FT referral and treat patients within 62 days of FT referral.
- Diagnostics: Complete a routine diagnostic procedure within 6 weeks and FT / Urgent within 14 days.

The Trust has seen Emergency Department attendances remain at pre-pandemic levels. This level of demand in conjunction with increased numbers who require Social Care provision spending longer in a hospital bed has led to a reduction in performance against the Emergency Care Standard compared to 2019/20.

The 2023/24 Urgent and Emergency Care Programme is now in place with the key aim:
To deliver high quality, safe, urgent and emergency care, for our communities, with our partners, delivered in the right place, at the right time, appropriate to our patient’s needs.

The programme has three primary drivers:

- Develop pre-hospital attendance avoidance.
- Improve internal systems and processes.
- Increase post hospital access to required care.

The Trust's planning process for 2023/24 has been finalised with Care Groups challenged to deliver the 2023/24 national elective priorities:

- Eliminate waits of over 65 weeks for elective care by March 2024 (except where patients choose to wait longer).
- Continue to reduce the number of patients waiting over 62 days on the Cancer PTL.
- Meet the cancer faster diagnosis standard by March 2024 so that 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days.

The Trust is a key member of the North Yorkshire and York Integrated Care System, with several Trust Directors and Senior Managers leading on and participating in work to re-design and configure pathways, to optimise and expand service capacity where feasible to support elective recovery as well as timely access to cancer and emergency care.

Performance against key health care targets 2022/23

Indicator	2019-20	Target 2022-23	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Total time in ED under 4 hours – national*	79.8%	95%	70.8%	71.8%	72.7%	72.3%	71.7%	69.8%	69.8%	70.5%	68.7%	71.9%	70.1%	69.9%
*The Trust is monitored on the combined performance; Emergency Departments (Type 1) and Minor Injury Units (Type 3).														
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	69.7%	92%	58.0%	59.4%	59.0%	57.1%	56.1%	54.3%	54.1%	53.7%	52.1%	51.9%	50.2%	48.1%
RTT 104+ Waik waits at month end	N/A	0	75	52	8	8	2	0	2	1	2	0	0	0
RTT 78+ Waik waits at month end	N/A	0	343	318	283	336	385	518	568	607	623	529	414	192
Cancer 2 week wait (all)	89.9%	93%	80.5%	93.9%	89.8%	88.7%	84.8%	83.9%	84.3%	63.0%	65.4%	70.8%	86.7%	x
Cancer 2 week wait Breast Symptomatic	94.9%	93%	77.5%	87.5%	87.6%	96.3%	93.1%	95.3%	92.4%	96.9%	98.6%	96.9%	89.8%	x
Cancer 31 days from diagnosis to first treatment	98.0%	96%	98.0%	95.4%	95.2%	97.7%	97.5%	94.5%	96.9%	97.8%	96.4%	95.9%	94.3%	x
Cancer 31 days for second or subsequent treatment – surgery	92.5%	94%	85.7%	77.4%	84.6%	97.3%	88.6%	83.9%	83.3%	90.9%	92.3%	86.7%	87.9%	x
Cancer 31 days for second or subsequent treatment – drug treatment	100%	98%	98.2%	100.0%	97.4%	100.0%	97.7%	100.0%	100.0%	96.7%	100.0%	95.7%	98.6%	x
Cancer 62 day wait for first treatment (urgent GP)	79.5%	85%	72.1%	62.0%	57.4%	59.4%	66.0%	58.8%	54.8%	52.5%	48.8%	54.2%	59.7%	x
Cancer 62 day wait for first treatment (NHS Cancer Screening Referral Service)	95.1%	90%	81.5%	83.0%	72.4%	89.5%	77.8%	83.3%	89.7%	75.0%	79.5%	83.3%	86.0%	x
Cancer 63+ waits on PTL	184	<121 by March 2023	178	201	172	188	258	335	415	335	350	321	233	162
Cancer 28 day Faster Diagnosis Standard	65.5%	75%	72.4%	70.6%	68.4%	70.7%	64.2%	57.1%	55.7%	57.1%	59.4%	56.9%	69.0%	x
Diagnostics – 6 week wait referral to test	84.0%	99%	49.4%	53.0%	51.8%	51.7%	46.1%	47.4%	48.0%	47.7%	45.5%	47.5%	55.2%	58.5%

Health Inequalities

Reducing health inequalities is of key importance for the Trust and part of the strategy for the organisation.

A number of national requirements regarding health inequalities were outlined in the 2022/23 planning guidance. As a response to the ask to disaggregate trust board and performance packs by deprivation and ethnicity, this breakdown was introduced in our Board Report beginning in March 2022 and continues to be reported monthly.

The initial focus has been on Referral to Treatment (RTT) Waiting List data to identify any potential health inequalities in waiting times. Additional data fields have been included in our RTT Patient Tracking List (PTL) so that data can be viewed by Ethnic Groups and Index of Multiple Deprivation (IMD) Quintile. It can also be interrogated by locality, specialty, RTT week bands, waiting list type, intended management, clinical priority, and age bracket. Where an Ethnic Group and IMD is known, the proportion of the RTT Waiting List is provided and comparative percentages of the Trust catchment sourced from the Office for Health Improvement and Disparities (OHID) are also provided to attempt to highlight any potential unmet need within the population.

In addition to waiting list data we also have a new data dashboard showing Emergency Department (ED) activity by Health Inequalities ethnicity and IMD Deciles which can be interrogated by site.

In addition to the specific asks of trusts to report inequality data, 2022/23 planning guidance outlined NHSE's approach to population health management to be led by the Integrated Care System (ICS). There are a number of groups relating to inequalities that are ICS led and are attended by a representative from the trust's Business Intelligence and Insight team, including the York Population Health Hub and Humber and North Yorkshire Population Health Steering Group.

As a Trust we have nominated an Executive Lead for health inequalities and are in the process of establishing an internal Health Inequalities Steering Group, which will lead on progressing any inequalities related workstreams and link closely with the ICS to try to ensure consistent application across the local area. Work will continue throughout 2023/24.

Events since the end of the 2022/23 Financial Year

The Trust Chair for the 2022/23 financial year, Alan Downey resigned from the position in May 2023 with Mark Chamberlain appointed into the post in an interim capacity. The Trust is currently undergoing recruitment to the substantive position.

Emergency Planning – EPRR Certificate

Yorkshire and the Humber Local Health Resilience Partnership (LHRP)
Emergency Preparedness, Resilience and Response (EPRR) assurance 2022/23

Statement of compliance

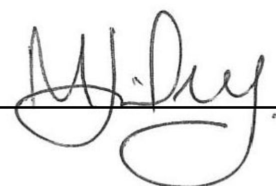
YSTHFT has undertaken a self-assessment against required areas of the EPRR Core standards self-assessment tool v1.0

Where areas require further action, YSTHFT will meet with the LHRP to review the attached core standards, associated improvement plan and to agree a process ensuring non-compliant standards are regularly monitored until an agreed level of compliance is reached.

Following self-assessment, the organisation has been assigned as an EPRR assurance rating of Substantial against the core standards.

Overall EPRR assurance rating	Criteria
Fully	The organisation is 100% compliant with all core standards they are expected to achieve. The organisation's Board has agreed with this position statement.
Substantial	The organisation is 89-99% compliant with the core standards they are expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months.
Partial	The organisation is 77-88% compliant with the core standards they are expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months.
Non-compliant	The organisation compliant with 76% or less of the core standards the organisation is expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months. The action plans will be monitored on a quarterly basis to demonstrate progress towards compliance.

I confirm that the above level of compliance with the core standards has been agreed by the organisation's Board / Governing Body along with an action plan and governance deep dive responses.



Signed by the organisation's Accountable Emergency Officer
01/11/2022

02/11/2022	02/11/2022	01/06/2023
Date of Board/governing body meeting	Date presented at Public Board	Date to be published in organisations Annual Report

New and Significantly Revised Services

The Trust has continued to innovate in order to achieve our aim of delivering high quality services, better clinical outcomes and improving the experience of patients.

The past few years have been challenging and have tested the emergency preparedness and resilience of the Trust and staff like never before. The first phase of the NHS's preparation and response to Covid-19 was triggered with the declaration of a Level 4 National Incident on 30

January 2020. In the months since then we have lived and worked through the biggest challenge the NHS has ever faced.

Following national direction, planned surgery and routine outpatient appointments were cancelled and all visiting to the hospital sites were suspended. At significant speed the wards and departments were reconfigured and surge planning and training was introduced in readiness for the rising number of patients who would need care.

Urgent and emergency care was maintained, as was care for patients with cancer and high clinical needs. Covid-19 and non-Covid-19 areas in our emergency departments, wards, operating theatres and critical care areas were created to more effectively manage different patient groups. This meant that clinical pathways were quickly redesigned and staff had to work differently to ensure that patients and staff were safe during rapidly changing times.

Responding to the pandemic necessitated an immediate and sustained response, but this system disruption caused by the pandemic created unforeseen opportunities to innovate. Some of these changes have the potential to offer longer term benefits to patients, the organisation and wider system.

During the pandemic the Trust maintained and developed its commitment to transform services through quality improvement and workforce redesign to maximise effectiveness, efficiency and productivity. To do this we continue to work in partnership across the Humber and North Yorkshire Health and Care Partnership Integrated Care System, through our alliances with neighbouring hospitals and at a local level with Primary Care, Local Authorities and community organisations.

The Trust's Corporate Improvement Team supports service transformation through a multi-faceted approach to quality improvement via its 'Dial I for Improvement' toolkit across the organisation, utilising a variety of tools and techniques to address problems and systematic issues.

The Trust approach to quality improvement applies a systematic method to engagement and involves all key stakeholders to help discover and develop solutions to complex problems or issues. Initiatives progressed in recent times include a review of the Head and neck cancer pathway and enhancements to the ophthalmology urgent care clinics at both Scarborough and York Hospitals.

Partnership working across the Integrated Care System has enabled improved mutual aid to support operational pressures.

Some of the main partnership innovations involving other health and social care organisations that have improved services for patients include:

- Whole system Planned Care Transformation Programme working with colleagues in Clinical Commissioning Groups and primary care to review pathways, pool resources and introduce innovative staffing roles. As part of this Programme, the Trust has further developed Outpatient Transformation to enhanced triage, increase the use of digital technology (Attend Anywhere allows live virtual consultation and advice), and introduce a new service called "Advice and Guidance".

  This service allows teams in GP surgeries to send a clinical query directly to the relevant specialist at the hospital for a quick written response. By communicating directly and quickly with specialists, patients can be better supported by their General Practice team, often without the need to be seen at the hospital.

It also means that relevant tests and treatments may have already been completed for some patients who do need to be seen by a specialist, all helping to deliver a safer, more efficient service. A similar approach for outpatient referrals involving a new direct interface between the GP and Consultant called Referral for Expert Opinion has also been developed and implemented, which will help inform the most appropriate clinical pathway to be followed.

- Excellent progress has been made with the implementation of patient video consultations with hospital clinicians which have been introduced across 40 pathway areas. Pilot work involving support for patients conducting video consultations from voluntary services and social care colleagues was recently progressed in the Bridlington locality.

- A system supporting patient initiated follow up appointment telephone calls has also been introduced across a number of specialty areas.

- Use of the independent sector to maintain business continuity for some urgent care consultations, diagnostics and treatment. In 2020, vulnerable clinical services such as oncology and chemotherapy were temporarily relocated to Nuffield Hospital premises in York; Staff from York Hospital and the Nuffield and Ramsay Hospitals worked together to deliver and urgent surgery on the Nuffield and Ramsay Clifton Park Hospital sites.

- Building on these relationships, the Trust is engaged in a collaborative partnership with the Ramsay Organisation on the Clifton Park Hospital site in York, and has developed a new elective care unit for NHS surgical patients using NHSE capital monies (£3m) as part of the Elective Recovery Programme. The new unit has been operational from June 2022.

- Strengthening multi-agency Discharge Command Centres to ensure timely discharge from hospital, working over seven days as an integrated health and social care team.

- The development and embedding of the Discharge Command Centres has further improved partnership working to support discharge from hospital for patients on pathways 1-3. Despite gaps in the care markets, the teams have coordinated and prioritised capacity across the Humber and North Yorkshire geography.

- The Trust recently established a Discharge Steering Group, chaired by the Medical Director, to ensure action is taken to improve processes which impact on safe discharge. This focusses on the SAFER principles (linked with the reduction of delays in the inpatient care pathway), particularly discharge processes for patients on pathway zero, criteria led discharge and seven day service provision.

- Closer working between community nursing teams and other partners such as Hospice at Home and primary care, particularly an ‘integrated’ offer by practice nurses and community nurses

- Within York and Bridlington Hospitals two ward areas have been established as Care Units to look after medically fit patients prior to their planned discharge to a community setting.

- Work has also been undertaken to increase the number of patients managed via ‘Virtual Wards’ (including hospital at home provision) and the delivery of two hour urgent community response services to meet national standards.

- Revised arrangements for procurement, mutual aid and sharing of supplies between health and care organisations.

- Teams have been working closely with local GPs and commissioners and across the wider Humber and North Yorkshire Health and Care Partnership to improve the effectiveness of services, reduce waiting times and help patients to get the right diagnostic test, first time. Key programme initiatives also promote the Care Closer to Home initiatives and they include:

  - Developments to the musculoskeletal service, with Physiotherapy First Contact Practitioners in Primary Care well established to assess, treat and discharge patients in conjunction with GPs, as well as improvements in diagnostic provision (especially MRI and ultrasound) and the introduction of a nationally accredited back pain pathway.
  - The introduction of a revised acute chest pain pathway and the management of other cardiology presentations generally including virtual reviews. In the York locality, the cardiology specialty has developed a community delivered IV diuretics and echocardiogram service, so patients are seen in the community by specialty clinicians, closer to home.
  - The specialist dermatology team has worked with GP colleagues to ensure that practices have access to dermatoscopes (special cameras that can take detailed images of skin conditions). These images can be included with referrals and reduce the time patients with a suspected skin cancer wait for a specialist review and improve the communication between clinical teams.
  - The anti-coagulation service has moved from being provided by a hospital-based team to teams based in GP practices. This means that patients in York requiring blood thinning medication (anti-coagulation) no longer have to come to the hospital and can receive this treatment in their local GP practice, closer to home.

Further recent pathway initiatives have also seen the introduction of:

- The chemotherapy home delivery service.

- Child health telephone clinics.

- A new triage process for sexual health service users to identify the most vulnerable and victims of domestic or sexual abuse.

- Telephone consultation for sexual health services, including increasing the availability of online testing and telephone consultation and introducing a postal supply of treatments for Sexually Transmitted Diseases (STDs) and progesterone only contraception.

- Enhanced online support for mums-to-be has been developed by the maternity team.

- The Scarborough Trauma Assessment and Treatment Unit (TATU) which provides training, splints, casts, and urgent senior decision making to the Bridlington Urgent Treatment Centre (UTC). This means that patients no longer have to attend appointments at Scarborough Hospital.

- Refreshed pathology requesting processes.

- An updated ophthalmology referral guidance for cataracts.

- Triage process by Occupational Therapists (OTs) for neurology and stroke outpatients; following a specialist, targeted and universal approach; and the development and launch self-management packs and videos to support patient education and exercises.

- Joint working on wards and critical care to provide greater flexibility and cross-cover between areas.

- Different ways of working so that services have become more community focussed, such as the Heart Failure Service and the telephone Rapid Access Heart Failure service.

- A single point of contact for some services, such as the York Cystic Fibrosis In-reach team, for advice to clinicians, patients, and families.

- The Electronic Palliative Care Coordination System.

- Virtual Wards which help to keep patients at home or supports earlier discharge, with outpatient attendances for investigations and home monitoring while in the recovery phase with regular contact and intervention from the hospital clinical team (e.g. vascular virtual ward, Covid-19 virtual ward).

- Strengthening of Same Day Emergency Care so that more patients are seen and treated on the same day, preventing the need for patients to stay in hospital overnight.

- Direct booking to UTCs and Emergency Departments (EDs) as part of the national 111 First programme.

- The Trust has continued to work closely with the national Emergency Care Intensive Support Team (ECIST) to progress this area of work in tandem with the promotion of the SAFER patient flow process which encourages senior clinical review and timely discharge planning.

- The completion of the work to develop a consolidated day unit facility at Scarborough Hospital to maximise and extend elective operating capacity.

- A revised patient pathway for Scarborough area residents accessing stroke services was introduced in May 2020. Patients contacting the Yorkshire Ambulance Service with stroke symptoms or presenting at Scarborough Hospital are now taken by ambulance to the nearest Hyper Acute Stroke Unit in York, Hull or Middlesbrough.

  This temporary service change, which has been introduced as a result of staffing challenges, has ensured quicker access to Hyper Acute Stroke Units and has been closely monitored by the Humber and North Yorkshire Stroke Network as part of a formal service review that was recently completed. The recommendation was that the temporary pathway should be made permanent.

  Development work on local hospital rehabilitation services for Scarborough and Bridlington Stroke patients after their stay in Hyper Acute Stroke Units has also been completed and the Johnson Ward in Bridlington Hospital is now acting as the specialist hospital rehabilitation unit for East Coast patients.

  Further development work on an enhanced Early Supported Discharge service with clinical support is also being progressed which will enable patients to recover in their home surroundings.

- The recently approved a business case for a new Radiology Information System which supports delivery of a two-year transformation of diagnostic imaging services is being implemented.

The Trust has also been engaged with the NHS England Operational Productivity team over the last four years, working closely on several work streams including trauma and orthopaedics, cardiology and radiology. This collaborative piece of work between NHS England and the Trust's clinical, operational, improvement, finance and efficiency teams uses information from a variety of sources, including the national 'Model Hospital', Service Line Reporting system and the 'Getting It Right First Time' (GIRFT) programme.

To support this work the Trust has recently established a GIRFT Project Assurance Board to ensure corporate oversight of the GIRFT programme. The local NHS England GIRFT team is working closely with the Trust's Programme Manager to support our delivery of best practice. The Trust is also one of six in the region to receive additional support to improve theatre productivity through collaborative working and shared learning. The support offer involves a new approach to transforming theatre services, with NHS England and the national GIRFT team supporting the Trust.

In capital development terms the Trust is planning for two significant urgent and emergency care initiatives on the Scarborough and York sites.

On the Scarborough site planning is well underway for a £47m NHSE supported capital development comprising a new emergency and urgent care department with approximately double the current clinical space (formal approval was recently received). The building will also house a new integrated critical care floor for intensive care, coronary care and is due to open in early 2024.

On the York Hospital site, funding of £15m has been obtained from NHSE to enable a re-design of services within the current emergency department footprint and an additional modular build, which will support significant clinical and operational benefits for urgent and emergency services. The development will be completed and operational from July 2023.

During 2021 the Trust sited a range of specialist outpatient services (including rheumatology, sleep services and ophthalmology clinics) as part of the multi-agency York Community Stadium Project.

Further utilisation of the Stadium premises is planned for outpatient and routine minor elective procedures and some therapy services over the course of 2023.

It is anticipated that utilising these high quality, modern, accessible premises will improve and enhance the experience for many of our patients.

The Trust continues to increase and develop its use of new and alternative roles and to develop different workforce models. These include:

- Physician Associates - these roles are now embedded in the workforce models in a diverse range of medical specialties, including paediatrics, care of the elderly, acute medicine and rheumatology.

- Trainee Advanced Clinical Practitioners (ACPs) - ACPs are now embedded in the workforce models in a diverse range of specialities across the Trust.

- Trainee Nursing Associates - cohorts of Trainee Nursing Associates have been appointed alongside a small cohort of Trainee Associate Practitioners. The training is being delivered in partnership with the University of York and Coventry University, and represents the start of a rolling programme for clinical apprenticeships at the Trust.

We know that responding to the pandemic has had a significant impact on how we have delivered health and social care services and this has been challenging for our staff and local communities.

The innovations and changes made during the pandemic will help us to co-exist with Covid-19 whilst we refocus our efforts to reset and relaunch our services, building on the amazing work that our staff, health and care partners and local communities have taken forward over the last three years.

Out of Hospital Care

Our ambition for delivering care outside of hospital is to work within the local health and care system to adopt a 'Home First' culture which focuses on prevention and self-care; delivers care closer to home and allows the system to manage growing demand by increasing efficiency through integration.

The Trust has worked with a range of partners to continue to deliver our vision. This includes being a core member of locality forums in all of the communities that we serve alongside primary care networks, social care, community health partners, community and voluntary sector leads and mental health. These groups are leading the design and development of joined up services to meet the needs of local people and address health inequalities. These relationships have provided a solid foundation for collaborative working in the recovery from the pandemic, providing opportunities for mutual support and the accelerated development of joined up pathways of care.

In the recovery from the COVID-19 pandemic Integrated Community Care plays a vital part, many community teams have seen an increasing number of people who have deconditioned as a direct ot indirect result for example the increased isolation and reluctance to access service) as a result referral numbers into Adult community services has increased significantly.

Despite these challenges, we have continued to innovate and work collaboratively with partners to improve the services we provide for local people. These have included:

- Continuation of a multi-disciplinary and multi-agency frailty clinic in Selby to deliver a one-stop assessment service for people living in frailty which has been delivered in collaboration with the Selby Town Primary Care Network and the establishment of a second multi-disciplinary and multi-agency frailty clinic York in partnership with York Intermediate care team.
- Embedding and further roll out of primary care heart failure clinics in collaboration between heart failure specialist nurses and primary care clinicians to support patients living with heart failure.
- Establishing multi-disciplinary and multi-agency complex lower leg wound clinic in partnership with the ICB, Nimbus Care and Harrogate and District NHS Foundation Trust.
- Embedding point of care testing for people who are housebound and taking blood thinning medication that provides an immediate result instead of waiting for a blood test result from a laboratory.
- Investing in our Community Response team to expand the service to meet the growing demand for managing more people in their own homes.
- Introduction of the 2hr Urgent Community Response (UCR) service in partnership with primary care, enabling rapid assessment and treatment for 9 clinical conditions.
- Introduction of the frailty virtual ward, enabling people to be cared for in their own home to prevent admission but also to support earlier supported discharge from hospital.
- Working with care homes and the Primary Care Networks in Selby and District to improve nutritional support for residents and training for colleagues working in the social care sector and primary care.

- Using wound care technology to enable our District Nursing teams to access senior support and Tissue Viability specialist support, this technology enables real time assessment and removes delays to specialist assessment and advice.
- Working in partnership with the South Hambleton and North Ryedale Primary Care Network to introduce innovative new occupational therapy roles to support advanced care planning with local people and the co-ordination of services to deliver this.

Our Clinical Directors for Community Health Services continue to support integrated working and build our collaborative approach across health and care organisations locally.

Review of Financial Performances

The table below provides a high-level summary of the Trust's financial results for 2022/23.

Table 1 - Summary financial performance 2022/23

	Plan £m	Actual £m	Variance £m
Clinical income	612.2	668.2	56.0
Non-clinical income	76.1	79.7	3.6
Total income	**688.3**	**747.9**	**59.6**
Pay expenditure	445.0	499.8	-54.8
Non-pay expenditure	225.2	229.7	-5.2
Total expenditure before dividend, and interest	**670.2**	**729.5**	**-60.0**
Operating surplus (loss) before exceptional items	**18.1**	**18.4**	**-0.4**
Dividend, finance costs and interest	9.0	7.7	1.9
Net profit/ (loss)	**9.1**	**10.7**	**1.5**

Statement of Comprehensive Income 2022/23

Clinical income totalled £668.2m, and arose mainly from contracts with NHS Commissioners, including Vale of York CCG, North Yorkshire CCG, East Riding CCG, NHSE and Local Authorities (£665.1m), with the balance of (£3.0m) from other patient-related services, including private patients, overseas visitors, and personal injury cases. The major areas of variance in clinical income substantially relate to additional income received relating to the increase in staff pension contributions (£17.2m), income from the lump sum element of the pay award proposed by the Government (£16.4m), there is also additional income for drugs excluded from tariff.

Other income totalled £79.7m and comprised funding for education and training, research, and development, and for the provision of various non-clinical services to other organisations and individuals.

The Trust re-values all its property fixed assets, including land, buildings, and dwellings, at the end of each year, to reflect the true value of land and buildings, considering in year changes in building costs, and the initial valuation of new material assets. In 2022/23, there has been an overall modest upward valuation (impairment reversal) of the Trust's assets of £0.7m.

At the end of the financial year, the Trust reported an income and expenditure surplus of £10.6m: this position is then adjusted by a serious of technical adjustments in the sum of (£10.5m), the largest of these is the removal of donated asset income of £10m, this is income received in the form

of a Government Salix grant and relates to energy and carbon reduction schemes. When all these items are adjusted, the final regulator assessed position of the Group is a £0.147m surplus.

Accounting policies

The Trust has adopted international financial reporting standards (IFRS), to the extent that they are applicable under the Department of Health Group Accounting Manual (DH GAM).

Cash

The Trust's cash balance at the end of the year totalled £50.3m.

Capital investment

During 2022/23, the Trust invested £91.3m in capital projects across the estate, including IFRS16 lease schemes. The major projects on site during this period included:

- Scarborough – Urgent and Emergency Care Centre - £30.7m.
- Scarborough and York – Significant programme of back log maintenance and Medical equipment replacement - £8.4m.
- IT investment – All sites - £12.6m.
- York – Emergency department re-model - £12.3m.
- York and Bridlington – Salix funding - major energy saving project - £10m.

Planned capital investment

The Trust has a major Capital investment plan for 2023/24 of £46m: The largest elements of this are:

- Scarborough – Transformation of urgent and emergency care - £13.85m.
- York – Vascular imaging unit - £3.0m.
- York ED – TIF2 - £3.0m.
- Scarborough and York – Significant programme of back log maintenance and Medical equipment replacement - £10.3m.

During 2018/19 the Trust was successful in its outline bid for £40m capital for a major investment in the Scarborough Hospital site. This was fully approved in the sum of £47m; the change in value was due to project scope change, with the inclusion of new ICU facilities. The building work is progressing well, and the main building works are due to be completed in Q4 2023/24, with a view to the unit opening in April 2024. This is a very significant national investment and shows a high level of confidence in the system.

A key Trust focus remains on reducing backlog maintenance and investing in our IT infrastructure across all Trust sites, although capital funding has been extremely tight and there has been a requirement to prioritise the work within the capital programme.

Land interests

There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

Investments

There are no significant differences between the carrying amount and the market value of the Trust's investment holdings.

Value for money

As public-sector organisations, NHS trusts and NHS Foundation Trusts are expected to demonstrate to their patients, communities, and taxpayers that they are delivering value for money, evidencing both efficiency and effectiveness. This is even more important in times of fiscal constraint.

The creation of ICBs allows NHS England to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver financial balance. We leave the 2022/23 financial year in a stable position with both the revenue and capital positions both being delivered to plan.

The Group cash position remains strong with a year-end balance of £50.3m.

Following the reduced efficiency requirement during the Covid-19 period and the inevitable reprioritisation of clinical and operational teams focus there was a requirement for the efficiency programme to be fully re-started in 2022/23. The Group had an overall target of £32.3m, which was made up of £15.7m in the core programme and £16.6m of technical efficiencies.

The Group overachieved its efficiency target by £1.1m, which was a significant achievement.

Good resource management provides clarity of focus and is usually linked to improved patient care, when backed by a rigorous quality impact assessment (QIA) process. The work involves linking across the Trust to identify and promote efficient practices.

The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2022/23 and re-invigorate this work following the COVD19 period.

The Group continues to be a key partner within the Humber and North Yorkshire (HNY) system.

Better payment practice

The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date, or within 30 days of receipt of goods or receipt of a valid invoice, whichever is later. The Trust's in year performance is detailed in table 2.

Table 2

BPP Performance	Number	Value
		(£'000)
Total Non-NHS trade invoices paid in year	107,064	411,061
Total Non-NHS trade invoices paid within target	96,270	382,904
Percentage of Non-NHS trade invoices paid within target	90%	93%
Total NHS trade invoices paid in year	4,157	172,990
Total NHS trade invoices paid within target	3,295	165,938
Percentage of NHS trade invoices paid within target	80%	96%

The Trust has maintained its performance in this area. The Group has achieved 94% overall, by value.

The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period was £1k.

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

Income disclosure

Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met these requirements.

Insurance Cover

The Trust has purchased Officer and Liability Insurance that covers all officers of the Trust against any legal action, as long as the officer was not acting outside their legal capacity.

Political and charitable donations

No political or charitable donations were made during the year.

Accounting policies for pensions and other retirement benefits

Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

Overseas operations

The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

Statement as to disclosure to auditors

Each Director at the time of approving this report has confirmed that, as far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. The Director has taken all the necessary steps to be aware of the relevant audit information and to establish that the Trust's auditor is aware of that information.

Counter Fraud Policies and Procedures

The Foundation Trust's counter fraud arrangements follow the NHS Standards for Providers: fraud, bribery, and corruption. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and a Trust-wide countering fraud and corruption policy. An annual counter fraud plan identifying actions to be undertaken to create an anti-fraud culture, deter, prevent, detect and, where not prevented, investigate suspicions of fraud, is produced, and approved by the Trust's Audit Committee.

Other Voluntary declarations

Sustainability, Climate Change and Net Zero Carbon Commitments

As an NHS organisation, and as a spender of public funds, the Trust must work in a way that has a positive effect on the communities it serves. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets, the Trust can improve health both in the

immediate and long term even in the context of rising cost of natural resources. Demonstrating that the Trust considers the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

The Health and Care Act 2022 (July 2022) embedded the achievement of net zero carbon into legislation for NHS Trusts in England which includes a duty to achieve net zero carbon targets, air quality targets and to adapt to any current or predicted impacts of climate change.

The healthcare system has several key legislative drivers that relate to climate change and decarbonisation and include the following:

- Health and Care Act 2022.
- Public Services (Social Value) Act 2012.
- Climate Change Act 2008 (as amended) setting a Net Zero target by 2050.
- Civil Contingencies Act 2004.

NHS institutions across the country are committed to the "Delivering a Net Zero National Health Service" guidelines (published in October 2020) ahead of the current Climate Change Act targets. The annual introduction of new targets from the NHS Standard Contract and through a Memorandum of Understanding from NHSE and Improvement, set against a backdrop of the overarching Net Zero NHS targets has served to highlight the improvements needed to strengthen the Trust's plan for tackling carbon reduction.

The Trust published its Board approved Green Plan in 2021/22, which replaced its Sustainable Development Management Plan, and the Trust Green Plan will be refreshed in the coming year in line with the latest guidance. This document includes the NHS net zero carbon target by 2040 for the emissions that the Trust directly control (referred to as our NHS Carbon Footprint) through reducing our energy use, our fleet and business travel, our use of anaesthetic gases and via changes to prescribing inhalers, with 80% of this to be delivered by 2032. For emissions that the Trust can influence but cannot directly control, the net zero target is 2045 for our NHS Carbon Footprint Plus. The NHS Carbon Footprint Plus includes the embodied carbon emissions from the things the Trust buys such as medicines and medical devices and also the carbon footprint of patient and visitor travel together with our staff commute. A copy of the Green Plan is available to view on the Trust Website under the 'About Us' tab and by selecting the Publications page or by using the following link https://www.yorkhospitals.nhs.uk/seecmsfile/?id=6242.

This section of the Trust annual report identifies a range of recent achievements in delivering the pathway to net zero as well as achievements against some of the new targets. For example, the plan identifies achievements such as the reduction of the use of the anaesthetic gas desflurane in favour of sevoflurane (a lower environmental impact gas) and this work has continued to reduce the use of desflurane resulting in a total exclusion from use from November 2022. It is, however, clear that the speed of change to transition to lower carbon alternatives needs to accelerate across the whole range of our Trust activities.

An analysis of our NHS Carbon Footprint shows that 73% of the footprint is due to our energy use with 72% of the footprint coming from our gas consumption. The second highest category in our NHS Carbon Footprint is anaesthetic gases at 12%. Fleet and business travel contributes 8% of our carbon emissions, whilst patient and visitor travel accounts for the second largest proportion (15%) of the Carbon Footprint Plus, with medicines at 25% being the highest proportion. In summarising the actions required to achieve carbon and greenhouse gas reduction, there is a strong focus on energy, through better control, improvements to building fabric, installation of renewables and building to net zero standards, and also travel, through improvements of facilities for active travel

and electric vehicle charging, but also noting that this is about total reduction to net zero through emerging technology, the way that the Trust delivers services to minimise waste and procurement decisions that capture requirements to reduce the carbon impact and lead to net zero.

In order to fulfil our responsibilities for the role the Trust plays, YSTHFT has the following Net Zero carbon reduction mission statement in its Green Plan:

"York and Scarborough Hospitals NHS Foundation Trust strives to actively encourage, promote and achieve zero carbon emissions in all that it does, through its staff, its services, its premises, its patients and visitors, and its partners in line with NHS targets."

Whilst the Trust recognises the importance of communication, tracking progress, risks and finance, it is noted that the real cost of emitting carbon is the long-term impact of the changing climate and irreversible change. The Trust (along with others) only has a short window of opportunity to stop this happening. Much of the action needed to achieve net zero results in a cost of reducing carbon emissions and this currently has to be borne by the organisation meeting the targets. Whilst the Trust was successful in obtaining Public Sector Decarbonisation Grants (PSDS- round 3) to start the journey at its York and Bridlington sites, this is only the tip of the iceberg. It is hoped that government addresses this matter by providing funding to cover the cost burden for organisations like the Trust.

Policies

In order to embed sustainability and carbon reduction within our business, it is important to explain where in our processes and procedures sustainability features.

Area	Is sustainability considered?
Travel	Yes
Business Cases	Yes
Procurement (environmental and social aspects)	Yes
Suppliers' Impact	Yes

Our organisation currently embeds sustainability, tackling carbon reduction and responding to the changing climate through the use of its Green Plan. The action taken in relation to this Board approved Plan is reviewed annually, and quarterly assurance reports are received on progress, so our plans for a more sustainable future are well known within the organisation and are clearly laid out. The Deputy Chief Executive/ Finance Director is the Board-level Lead for Sustainability and Net Zero, and, over the last year, the work has progressed through the Trust-wide Sustainable Development Group (facilitated by the Head of Sustainability) with updates provided to the Digital Performance and Financial Assurance Committee and to the Trust BoD.

Our organisation adopts a sustainability impact assessment during business case development, which leads on to a procurement process incorporating a specification and tender evaluation award. The Sustainability Impact Assessment is a mandatory part of business cases and contract award procedures require evidence of the account taken in relation to the Public Services (Social Value) Act.

As an organisation that acknowledges its responsibility towards creating a sustainable future, the Trust undertakes awareness-raising events and campaigns that promote the benefits of sustainability to its staff. The Trust regularly uses staff bulletins and newsletters supported by

promotional offers e.g. discounted trial for the use of E-scooters and free staff use of public buses. It is the personal responsibility of all staff to ensure that the Trust's resources are used efficiently with minimum wastage throughout their daily activities, and this is part of the Trust strategic plans.

United Nations Sustainable Development Goals (SDGs)

The Trust Green Plan also identifies which Sustainable Development Goals are being tackled that contribute to the UK's national contribution to this UN commitment (see the table below).

The Trust attaches great importance to sustainability and Corporate Social Responsibility. Our statement on modern slavery is available to view at: https://www.yorkhospitals.nhs.uk/search-results/?search=modern+slavery.

Overall Performance Update relating to NHS Net Zero reporting

The national NHS targets are defined against 1990 levels to allow comparison with the UK Climate Change Act (2008) which are stated as:

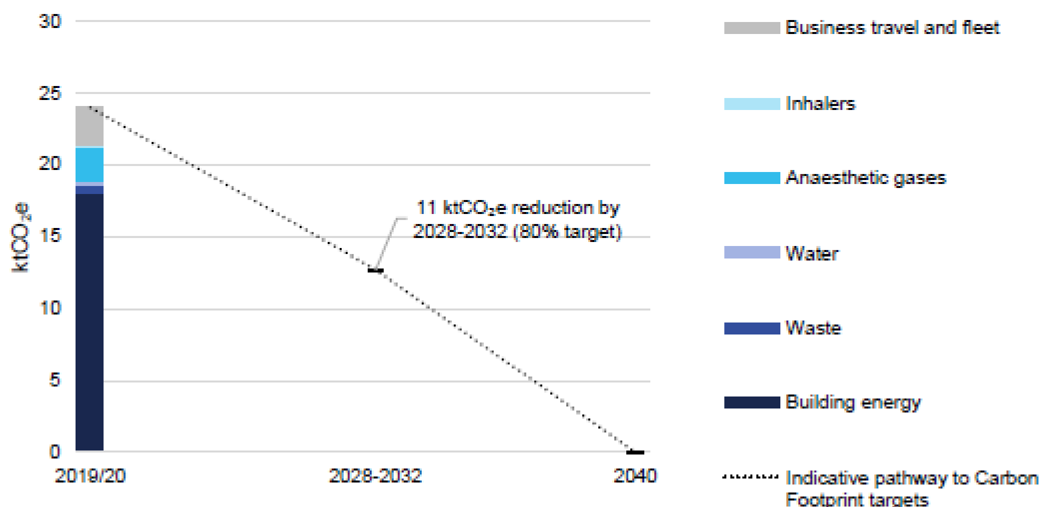
- Reach net zero by 2040 for the emissions that the Trust control directly (the NHS Carbon Footprint), with an **80% reduction by 2028-2032 against 1990 levels**.
- Reach net zero by 2045 for the emissions that the Trust can influence but don't directly control (the NHS Carbon Footprint Plus), with an **80% reduction by 2036-2039 against 1990 levels.**

If these national targets are then defined against the 2019/20 emissions footprint calculated in line with the Delivering a Net Zero NHS report, the NHS guidance states that this is equivalent to:

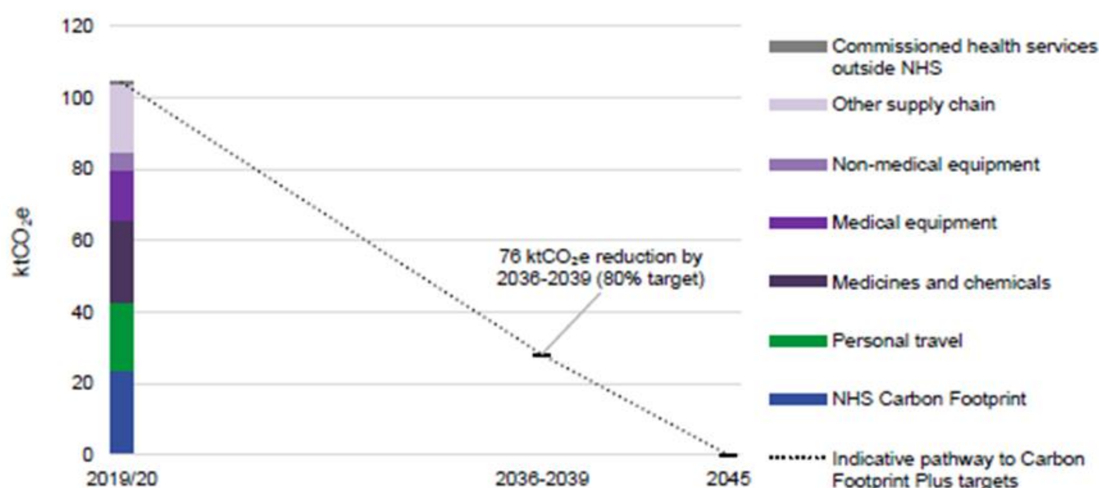
- Reach net zero NHS Carbon Footprint by 2040, reducing emissions by at least **47% by 2028-2032**;
- Reach net zero NHS Carbon Footprint Plus by 2045, reducing emissions by at least **73% by 2036-2038**.

NHSE has produced estimates of our Trust contributions (along with all other Trust contributions in England) to national carbon emissions to support regions, systems and Trusts to deliver on the commitments to Net Zero. The data provided below shows NHSE's latest estimate of the Trust's contribution to the NHS Carbon Footprint Plus (which includes the NHS Carbon Footprint) in 2019/20. This estimate of each Trust's contribution to the NHS Carbon Footprint Plus is consistent with the emissions data used to establish the emissions reduction trajectory set out in the Delivering a Net Zero NHS report and provides further advice on the target carbon reductions for our Trust.

According to the NHSE graph below, the Trust must reduce its NHS Carbon Footprint by 11,000 tonnes of carbon emissions (CO_2e) by 2032 from a 2019/20 baseline to meet the NHS target. This is around 1,100 tonnes of carbon per annum on emissions that the Trust directly control.



If the other areas which are part of the Carbon Footprint Plus are added, such as things that the Trust procures, and the staff commute, and patient and visitor travel, the target reduction is 76,000 tonnes of carbon (CO_2e). That's a saving of at least 4,470 tonnes per annum.

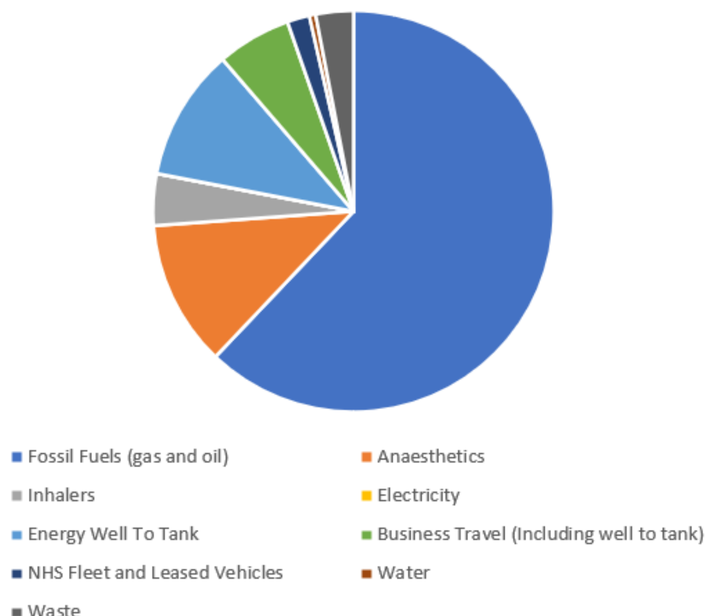


NHSE states that in moving towards these goals, some Trusts are likely to have capabilities to perform better than the average contribution required to meet the national targets and should do so wherever possible –especially considering the significant improvements in cost, efficiency, patient care and patient outcomes that are often associated with reducing carbon emissions.

Refinements to the NHSE sub-national footprints and the targeted reductions required are expected as data and modelling continue to improve over time.

The NHSE guidance on the above model methodology is not detailed enough to allow the Trust to duplicate this at local level and so, until this detail is provided, the Trust will continue to compile its data based on the national Sustainable Development Unit (SDU) spreadsheet so it can continue to compare progress year on year.

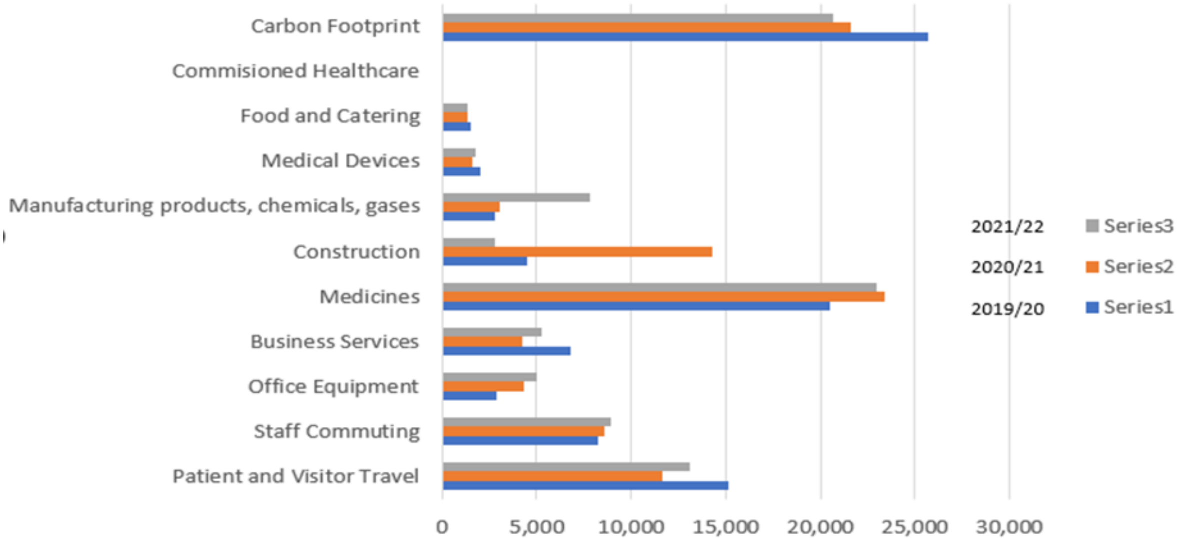
This Trust's methodology results in similar figures in relation to the nationally produced the NHS Carbon Footprint (see below for our breakdown of the Trust produced NHS Carbon Footprint), but the figures provided nationally for the NHS Carbon Footprint Plus result in figures which are 14,023 tonnes greater from within the procurement data. This means that the Trust cannot compare directly between the two data sets for the NHS Carbon Footprint Plus. NHSE have only provided the Trust with the year 2019/20 which is now three years behind the current year.



The latest Trust compiled data set covers the period 2021/22 but because the data sets and headings are in different categories to those used historically by this Trust (and the majority of other Trusts), the Trust are unable to advise how this compares with the national 2019/20 baseline for the Carbon Footprint Plus. Instead, the Trust can offer a comparison of changes over the last three years with an explanation of the significant changes.

Since the last report the waste carbon conversion factors have been updated to those provided by our waste processors and the output on waste now aligns more closely to the nationally /NHSE provided footprint. These updated waste carbon conversion factors have been applied to the last three years data. Other NHS Carbon Footprint data calculations rely on government published carbon conversion factors for utilities and fuels.

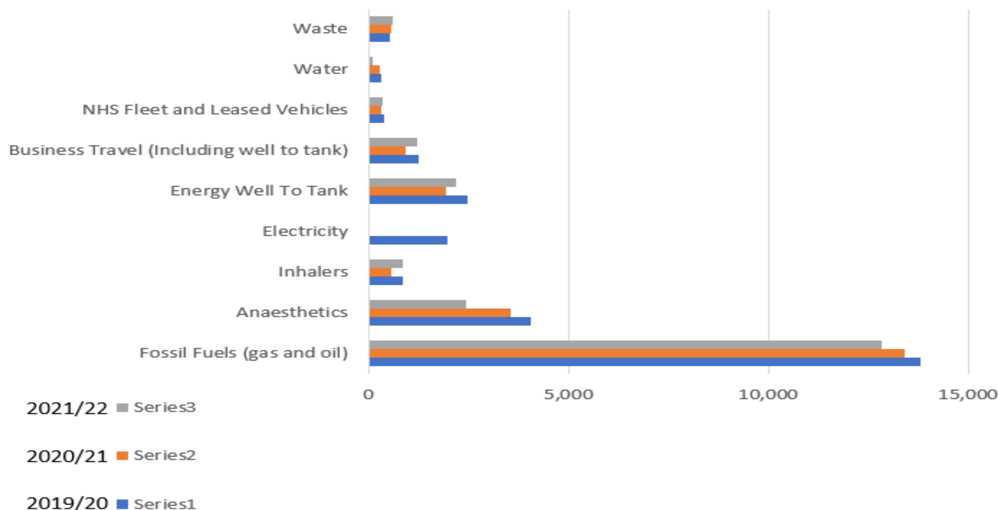
For the rest of the data processing, this Trust uses carbon factors historically provided by the national Sustainable Development Unit (SDU) to calculate the CO2 emissions embedded in what the Trust buys. These carbon factors have not been updated for several years, meaning that changes such as decarbonisation of the grid and reductions in freight emissions are not taken into account for 2008/09 onwards. The Trust does, though, apply Retail Price Index (RPI) adjustments to account for inflation. The Trust is also exploring options to quantify these emissions with a greater degree of accuracy in the future, which could lead to changes in our reported emissions in this area.



The Carbon Footprint Plus shows an overall decrease of 0.4% (376 tonnes CO2) between 2019/20 and 2021/22 which includes everything that the Trust procures, with an increase noted in 2020/21 largely due to capital investment to cope with the Covid-19 Pandemic. As above, the method used for this calculation (relating to things that the Trust buys) is directly related to the amount spent and as more money was spent in 2020/21 this shows greater carbon emissions. Using this method, the only way to get to zero is, therefore, to spend nothing unless a new model is provided for these calculations.

The graph above shows the most significant increase in chemicals purchased and further investigation is needed as to why this is such a significant increase, but it could be assumed that this is due to increased disinfection and cleaning processes following the Covid-19 Pandemic. It should be noted that the carbon emissions based on spend and so it could also indicate a significant increase in costs. Similarly, medicines also increased since 2019/20

The NHS Carbon Footprint shows a decrease of 19.5% (5,004 tonnes CO2) since 2019/20. These calculations are based on actual measurements of use converted into carbon emissions, e.g. kWh gas using current CO2e conversion factors. The largest reductions were from swapping electricity to a green (renewables) tariff, a change in practice of the type of anaesthetic gases used and a reduction in gas consumption (used for heating).



The Net Zero Target for the NHS Carbon Footprint is 2040 and for NHS Carbon Footprint Plus is 2045 so, at the present time, the Trust is focusing on reducing the NHS Carbon Footprint, which can be accurately calculated, and which relates to emissions that the Trust can directly control.

Currently 73% of this Trust's NHS Carbon Footprint carbon emissions are from buildings energy use, 12% anaesthetic gases, fleet travel 8% Total 20.7k tonnes CO2e for our Carbon Footprint.

The summary below shows the largest overall reductions achieved since 2019/20

Since 2019/20

- Desflurane (anaesthetic gas) emissions reduced by 97.2% (100 tonnes CO_2e).
- Total reduction in anaesthetic gas use was 40% (1,640tonnes $C0_2e$).
- Emissions from water use and treatment reduced by 68% (221 tonnes CO_2e -there was a 6% reduction in use as well as a significant reduction in carbon intensity).
- Total emissions from gas and electricity fell by 17.2% (3,110 tonnes CO_2e).
- **Carbon Footprint reduced by 19.5% (5004 tonnes CO_2e).**
- **Carbon Footprint Plus reduced by 0.4% (376 tonnes CO_2e).**

Mandatory Carbon Emission Reporting

The Trust's CO_2 equivalent emissions are outlined below. The Trust records CO_2 equivalent (or CO_2e) emissions under three different scopes, Scope 1, 2 and 3, as required. The table below lists what is included in each Scope as sources of CO_2e, and the quantities in each category.

Total Trust Emissions 2019/20 and 2021/22

Scope	Category	2019/20 Carbon Emissions (tCO2e)	2021/22 Carbon Emissions (tCO2e)
Scope 1 (Direct)	Gas	**13,594**	**12,724**
	Oil	**209**	**108**
	Coal	-	-
	Owned Vehicles	310	294
	Anaesthetic Gases	4,071	2,431
	Inhalers	850	861
	Sub-total	**19,035**	**16,418**
Scope 2 (Indirect)	Thermal Energy (net of imports)		-
	Electricity (net of imports)	1965	- (green tariff)
	Sub total	**1,965**	-
Scope 3 (Indirect)	Procurement	41,010	47,026
	Commissioning	1	12
	Travel (and well to tank (WTT))	24,777	23,357
	Waste	533	627
	Energy – WTT + Transmission+ distribution	2,477	2.202
	Water	326	105
	Sub- total	**69,123**	**73,328**
Overall	**Total**	**90,123**	**89,747**

Scope 1 emissions are those produced directly on our estate such as the emissions of owned vehicles, gas and anaesthetic gases. Scope 2 is emissions from the electricity that the Trust imports

from the national grid, with Scope 3 accounting for indirect emissions such as our business travel and the items that the Trust buys.

In 2021/22 total CO_2e emissions (89,747 tonnes Co2e) had decreased by 376 tonnes (0.4%) from 2019/20. This continues a trend of decreasing carbon emissions since 2015/16 (noting that in 2020/21 had been an increase as compared with 2019/20). The increase in 2020/21 was due to a large increase in the procurement emissions calculation which is directly related to spend and there was a significant increase in spend as a result of the Covid-19 pandemic.

This Trust has consistently reduced, and continues to reduce, its buildings energy carbon emissions, (in scopes 1 and 2 emissions) since 2013/14. The total emissions from Scopes 1 and 2 in 2020/21 reduced by 21.8 % (4,582 tonnes CO2e), as compared with 2019/20. As with the NHS Carbon Footprint, the largest reductions were from swapping electricity to a green (renewables) tariff, a change in practice of the type of anaesthetic gases and a reduction in gas consumption

With gas contributing 77.5% of our combined scope 1 and 2 emissions and 14.2% of total emissions, it is clear that this is an area where significant reductions need to be made in order to meet NHS carbon reduction targets. Procurement contributed 52.4% of all Trust emissions and whilst the Trust can influence this spend, the NHS supply chain will be critical to reductions in the area, especially as there are central targets to increase the proportion of items NHS Trusts buy via this route.

Despite these successes, progress needs to be accelerated. The "Delivering a Net Zero NHS" document published in October 2020 details the targets to reduce the NHS Carbon Footprint (scope 1 and 2 emissions, business travel and upstream energy distribution) by at least **47% by 2028-2032**; and the NHS Carbon Footprint Plus (all emissions) by at least **73% by 2036-2038**. In order to reach these targets, year on year reductions of at least 1,100 tonnes of carbon per annum on emissions that the Trust directly control and at least 4,470 tonnes of carbon per annum on the whole NHS Carbon Footprint Plus must be achieved. Whilst progress in the last two years shows that this has been achieved on emissions that the Trust directly controls, there is clearly a long way to go with the things that the Trust procure. It is however clear that progress will not be at a uniform rate and the changes in procurement should lead to greater progress in later years.

The following are the key areas of focus in order to achieve these targets.

Key areas of focus

Adaptation

Climate change brings new challenges to our business, both in direct effects to the healthcare estates, but also to patient health. Examples in recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. Our Board approved Green Plan makes reference to the plans to address the potential need to adapt the delivery of the organisation's activities and infrastructure to climate change and adverse weather events.

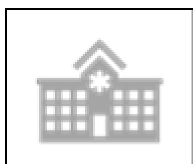
Formal emergency planning procedures are in place to deal with any adverse weather circumstances, which include current and future climate change risks. Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that our services continue to meet the needs of our local population during such events the Trust has developed and implemented a number of policies and protocols in partnership with other local agencies.

The Trust's Emergency Planning Steering Group ('EPSG') maintains a risk register, including the risks of severe weather such as flooding, heatwave etc. Issues arising from these risks can include risk to life, damage and disruption to properties, utilities and infrastructure, short-term homelessness of the local population and increased admissions and hospital attendances. The EPSG also tests, reviews and monitors related plans and policies such as the Incidence Response Plan that incorporates the Adverse Weather Plan.

The Adverse Weather Plan provides temporary mitigation measures to respond to the effects of short-notice and short-term climatic events and is not responsible for long-term, permanent solution projects such as upgrading infrastructure environmental control and heating systems. The plan does, however, provide data collection opportunities to inform longer-term capital planning, risk identification and mitigation. Data collected during the implementation of the Adverse Weather Plan is now included in the annual report submitted by the Emergency Planning Manager to the Executive Committee and is also shared with the Head of Sustainability. This information can now be used to provide historical data sets to inform future capital, estate and maintenance planning. The Emergency Planning Manager's last report contained a recommendation to introduce automated temperature monitoring.

A one ward pilot scheme was introduced at York Hospital in 2022/23 which has started to establish automated space temperature monitoring in inpatient areas to enable the Trust to better understand temperature control capability and heatwave impacts inside our buildings. This pilot is being used as a template to put together a business case for automated temperature monitoring in all inpatient areas so that the Trust can start to evaluate the improvements needed to reduce the impact caused by overheating which can affect patient care.

In addition to the above, the Trust's Sustainable Building Design Guide was introduced in 2018 to provide guidance on the measures which can be taken to reduce the impact of the changing climate for all Trust new build and refurbishment work. Further work is now needed to update this guide in line with the recently published NHS Net Zero Building Standard (February 2023).



Sustainable Care Models

The Trust works with partners in the health and care system to reduce environmental impact, promote prevention and self-care. For example, anaesthetic gases used in surgery, such as desflurane and sevoflurane, have very high CO2 equivalent values (CO_2e). Desflurane is the most environmentally harmful, with a Global Warming Potential (GWP) of 3.72tCO_2e/litre (3720 times that of CO_2e). Sevoflurane is a viable alternative to desflurane in many clinical situations and has a significantly lower GWP of 0.2tCO_2e/litre.

The NHS Standard Contract for 2022/23 (SC18) required that the proportion of desflurane to all volatile gases used in surgery be reduced to less than 5% by volume. The table below shows that in 2019/20 it was 7.4% but in 2021/22 this was 0.2%. Since November 2022 desflurane was completely removed from use in the Trust: any stocks held by the Trust Pharmacy were removed and disposed of as waste. The reduction was achieved by preferential use of sevoflurane over desflurane by colleagues working in anaesthesia.

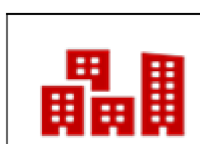
The carbon savings achieved from the changes are presented below, showing a reduction of 171 tCO_2e (62%) reduction in emissions from the combined use of Desflurane, Isoflurane and Sevoflurane emissions between 2019/20 and 2021/22, with a 97% reduction in Desflurane use.

Desflurane and Sevoflurane use and associated emissions 2019/20 to 2021/22

Anaesthetic gases	2019/20	2020/21	2021/22
Desflurane Volume used (Litres)	39	9	1
Desflurane Emissions (tCO_2e)	144	32	4
Sevoflurane Volume used (Litres)	422	326	439
Sevoflurane Emissions (tCO_2e)	84	65	87
Isoflurane Volume used (Litres)	64	32	**20**
Isoflurane Emissions (tCO_2e)	49	25	15
Total Volume	525	367	460
Total emissions	277	122	106
Total emissions reduction 2019/20 – 2020/21 (tCO2e)		**155**	**171**

Work has also begun to audit the use of nitrous oxide use as part of a plan to reduce the losses through a change in practices.

The use of inhalers has been part of this Trust's work with the ICS to ensure that green options are an integral part of the care pathways.



Capital Projects

Set against the complexity of retrofitting a mixed-age estate, capital projects provide an opportunity to influence building efficiency at the design, build, and commissioning stages. It is therefore essential that sustainability and carbon reduction are factored into capital projects throughout the process.

A Sustainable Building Design guide was introduced in 2018 to incorporate capital project procedures and sustainability checklists, together with the objectives to achieve Building Research Establishment Environmental Assessment Method (BREEAM) 'Excellent'/'Very Good', including the need to gain 'innovation credits' in the field of sustainable performance by incorporating innovative technology where practicably feasible and economically viable to do so, also tackling issues around resilience, biodiversity and the use of green space. The use of the Design Guide embeds sustainability into work to refurbish and develop the estate through the use of a whole life costing approach, which will help to reduce running costs and future proof the organisation. The Scarborough Urgent and Emergency Care capital scheme – which began construction in 2022/ 23 achieved BREEAM 'excellent' at the pre-construction stage of the project and the Trust is continuing to strive towards achieving the same accreditation at project completion.

Also, by working with our contractors, this Trust has a corporate social responsibility plan to deliver value outcomes (e.g. engagement of local small businesses, local labour, certified considerate construction, and local skills development) as well as initiatives to benefit local charities.

The Trust procurement for a minor works contractor was awarded to contractors that would benefit the local economy and social value outcomes (e.g., engagement of local small businesses, local labour, certified considerate construction, and local skills development). These principles are also embedded into the design specification for the proposed Vascular Imaging Unit.

The Trust continues to monitor space utilisation across our estate to ensure we maximise the value of our estate, knowing that the most efficient estate is a lean estate. It continues to be our policy to consider brownfield sites rather than greenfield sites for capital projects.

Our People
Coming out of the pandemic the Trust has embedded a range of health and well-being support initiatives for all staff during the last year. Maintaining health and wellbeing, particularly strong mental health, will be an ongoing challenge as well as supporting staff still struggling with the effects of Covid-19.

Non-traditional work practices have been embedded within the Trust structures and the Trust continues to consider flexible working practices to both retain and attract its workforce.

During the last year the Trust has employed an Equality, Diversity and Inclusion Lead. The role is supporting staff to recognise the richness of the Trust's workforce and respect, as well as encouraging its future workforce that York and Scarborough are well worth considering as an employer.

Attraction and retention are key issues of concern for the NHS and the Trust. Understanding what attracts staff to work for the Trust, welcoming them to the Trust and checking in with them during their probationary period, to understand what they have enjoyed or not and what the Trust could do better, help it to retain staff as well as improve the on-boarding of future staff. Identifying staff who may be considering a change in role early also helps the Trust staff to have career conversations which may mean a change in role elsewhere in the Trust but may retain that staff member for longer. Leaver discussions are also valuable. Understanding themes as to why staff leave the Trust help to develop strategies for future recruitment as well as positively impacting those staff who remain. The Trust learns as much as it can from a staff member leaving, good and not so good, should help improve the working lives of the colleagues they leave behind.

Workforce numbers continue to be a challenge and the Trust looks at alternative roles and flexible/hybrid ways of working to meet evolving patient and workforce demands. International recruitment continues with various additional roles being considered appropriate to trial. One scheme where international staff work whilst training may help fill positions within the Trust. Further use of apprentice monies and closer working with universities, is helping grow UK talent to take up many positions.

The Trust is broadly made up of 6 Care Groups and several corporate areas. Given a number of key managers have moved roles or left or recently joined the organisation in the last year, there are discussions about structures and whether there are better groupings of teams that could work more closely and effectively if organised differently. Any changes will aim to improve the patient experience as well as the working lives of the Trust workforce.

New investment continues with new Emergency Departments being built at our two main sites in York and Scarborough. Other services are looking for permanent homes either centralising on one site or looking for a new home away from main Trust sites, such as the teams who are based at the community stadium in York which often is more easily accessible for patients and staff alike.

Parking charges were withdrawn during the pandemic but are being reintroduced as well as a review of eligibility to park on main sites. There are limited spaces and no guarantee of a space even with a parking permit. By reviewing eligibility, the Trust is trying to increase the availability of spaces to those that really need them. In addition, improved bus access and subsidised travel are being introduced and staff are encouraged to forego using their cars and use more sustainable methods of transport.

Green Space and Biodiversity

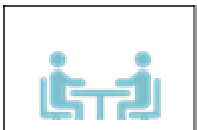
Supporting access to green space has benefits for mental and physical wellbeing. It can also lead to improved air quality, noise reduction, and supports the local biodiversity, to combat some of the impacts of our changing climate.

The Trust's Sustainable Design Guidance highlights the need to give consideration to green walls and green roofs. These additions have biodiversity benefits and also improve the appearance of Trust sites. Furthermore, these kinds of features reduce the impact of surface water flooding and surface water drainage, provide insulation and can also protect underlying building materials from increasing rainfall intensity. Any new building schemes under development will now follow this guidance. The recent helipad development, in the vicinity of the new Scarborough Emergency, Urgent and Critical Care Department, has provided the opportunity to enhance the surrounding land. During the construction phase, all the soil that was dug out for the helipad, approximately 550 tonnes, was distributed around the pad site to negate the need for the spoil to be removed from site not only saving money in disposal costs but also reducing vehicular movements and thereby saving emissions. Also, 31 young trees were carefully dug up and these have been redistributed to private landowners, with some being replanted in the Dalby Forest area and the remaining being planted on farmland at Staintondale.

The area around the pad has been sown with seeds for wild flowers and "bee bombs" to encourage bees and insects. The Trust have also installed hedgehog boxes and, plan to install some owl boxes too.

Wellbeing garden spaces were created across the Trust funded by York and Scarborough Hospitals Charity who received a £200,000 donation from Yorkshire artist Harland Miller. They have been created to offer staff and patient outdoor areas for seating, interaction and reflection with numerous areas of planting.

All the gardens are part of a collaborative process between teams from Estates, Sustainability, Fundraising, Arts, Staff Benefits, Capital Projects, Patient Experience, Finance, Accessibility and the staff who applied for and are developing the green wellbeing spaces.



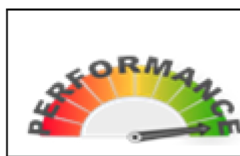
Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as an NHS provider organisation, evidence of this commitment will need to be provided in part through contracting mechanisms. Strategic partnerships are established with the following organisations: Hull and North Yorkshire Integrated Care Partnership, York and North Yorkshire Local Enterprise Partnership, North Yorkshire County Council, and City of York Council and its partners.

The Trust's Sustainable Development Group has continued to deliver sustainability communication and engagement work through a range of events and activities across several sites. This has included, for example, personal travel planning and active travel advice, National Clean Air Day, and staff messages on a variety of sustainability and carbon/ reduction measures. Many of these activities have been undertaken in partnership with others, such as Local Councils, and contractors, and are often based on best practice from other NHS Trusts and the Greener NHS (formerly the national Sustainable Development Unit).

All of our partners are working to reach Net Zero by at least 2050 in line with the Climate Change Act. Some organisations such as City of York Council have gone further and set more ambitious targets such as a 2030 Net Zero target for scope 1 and 2 emissions. Through the York and North

Yorkshire Local Enterprise Partnership and the Hull and North Yorkshire Integrated Care Partnership (HNY ICS), the Trust shares and receives advice on best practice and ideas so that all groups can make progress and achieve some economies of scale. This Trust shared its Green Plan with the HNY ICS and contributed to discussions over the development of the ICS Green Plan.



Performance - Organisational change

Sustainability has to be considered in the context of the overall challenges facing the NHS. With an ageing population, obesity rates among the highest in Europe and an increasing proportion of patients with multiple chronic conditions, the backdrop is challenging. In 2020 /21 the Trust added 10,885m^2 and in 2021/22, the Trust added a further 2,206m^2 to its estate in comparison to 2019/20 and FTE staff numbers have increased to 9,193, which is an increase of 11% over the past three years.

Units	2019/20	2020/21	2021/22
M^2	163,329	164,353	176,420
Number of FTE Staff	8,277	9,008	9.193

The NHS Standard Contract sustainability section (SC18) outlines key initiatives for the coming years and the Trust is working to achieve these targets.

The Trust has supported the long-term commitment of the NHS to becoming carbon neutral by:

- Historically making significant reductions to our carbon emissions by installing combined heat and power plants at our major sites, along with improvements to insulation, lighting and heating controls.
- Currently our decarbonisation plans are being updated following recent successes with our Public Sector Decarbonisation Scheme grant applications with provision of heat pump systems, improved insulation at York and Bridlington Hospitals, and a solar PV farm at Bridlington Hospital.
- Establishing digital twin projects at our Scarborough and Selby hospitals to assess the carbon reduction potential at these sites and to help further decarbonisation plans.
- Encouraging staff to use the travel hierarchy and consider alternatives to travelling by car as a sole occupant.
- Increasing the provision of cycle facilities and public transport options.
- Encouraging increased use of teleconferencing to reduce inter-site travel.
- Considering our procurement options and undertaking sustainability impact of all new business cases.
- Ensuring that as much of our waste as possible is recycled or appropriately segregated to use lowest cost and lowest carbon processing.
- Using the material reuse portal “Warp It” to reduce waste and procurement cost and save carbon emissions by encouraging internal reuse of items.
- Running switch off campaigns to encourage staff to reduce energy use and increase engagement.
- Through groups of key staff reviewing energy use.
- Working with Anaesthetists to phase out the use of Desflurane in favour of more environmentally friendly anaesthetic gases.
- Ensuring that new buildings achieve BREEAM excellent.

The Trust will continue to support the transition to Net Zero through further measures such as the requirements of the NHS Standard Contract, NHS Long Term Plan and Delivering a Net Zero National Health Service documents. Further details about these targets and how they will be achieved are set out in the Trust Green Plan. The sections which follow provide quantifiable changes in carbon emissions.

Energy

Carbon emissions from energy reduced by 17% (3110 tonnes CO_2e) between 2019/20 and 2020/21, which takes account of a reduction of 6% in gas usage and an 8% reduction in electricity usage. Oil use is mainly for backup generators and is topped up when prices are low (2019/20) and also when there are concerns about security of the power supply (2021/22). Only one small site, used for medical records storage uses oil for minimal heating needs in winter, with other sites being heated by gas or electricity and some low carbon air source heating systems being introduced at the York Hospital and Bridlington Hospital sites.

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Resource	kWh/tCO2e	2019/20	2020/21	2021/22
Gas	Use (kWh)	73,941,860	73,029,801	69,472,009
Gas	CO2 emissions (tCO2e)	15,559	15,363	14,902
Electricity	Use (kWh)	7,688,289	7,905,497	7,065,074
Electricity	CO2 emissions (tCO2e)	2,429	Renewables	tarrif
Oil	Use (kWh)	814,028	6,200	403,631
Oil	CO2 emissions (tCO2e)	48	0	24
TOTAL ENERGY EMISSIONS	CO2 emissions (tCO2e)	18,036	15,363	14,926

During 2019/20, the Trust began an intense period of review in relation to its energy management practices which has continued until the end of December 2022. In 2020/21 electricity use had increased and this is thought to be as a result of the increase in the size of the Trust facilities and also the impact of Covid-19 which had reduced the amount of gas saving achieved. However, as mentioned above there have been significant reductions in both gas (6%) and electricity (8%) consumption.

The Trust has previously made cost and carbon savings by installing Combined Heat and Power systems (CHPs) at its largest sites. However, the grid has rapidly decarbonised over recent years and whilst the CHPs still provide financial savings, the electricity they produce is no longer less carbon intensive than grid imports. The Trust is therefore now looking for alternative lower carbon options to heat its sites.

Energy Metrics				
Metric	Unit	2019/20	2020/21	2021/22
Total emissions from energy	(tCO2e)	18,245	15,365	15,034
Patient Contacts	Number	1,219,460	980,213	1,080,700
Emissions per patient contact	(kgCO2e)	14.8	15.7	13.8

During 2021, the Trust was successful in its applications for Public Sector Decarbonisation Grants which has resulted in extensive carbon reducing works being undertaken in 2022/23 at York and Bridlington Hospitals. The £4.735m grant for Bridlington Hospital and £4.338m grant for York Hospital from the Department for Business, Energy and Industrial Strategy (BEIS) and managed by Salix Finance, supports the transition from fossil fuel such as gas, oil and coal heating to renewable technologies.

At Bridlington Hospital the funding has the potential to make the site a shining example of sustainability by reducing the site's carbon emissions by more than 80%. The project achieves this by replacing a twenty-year-old boiler with air source heat pumps, the installation of a solar farm on the land area surrounding the hospital, the installation of more solar panels on the roofs, fitting insulation to pipework and fitting high efficiency motors. The Bridlington CHP has now been switched off and the solar panels supply has taken the connection to the to the electricity distribution network which will allow some export to the grid during the summer months. York Hospital has also seen extensive energy efficiency improvements to the main ward block with new external wall insulation and new windows, together with heat pumps and pipework insulation.

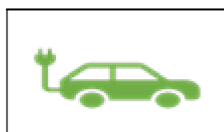
Re-use of goods and equipment

The re-use of goods and community equipment in the NHS has several key co-benefits: reducing cost to the NHS, reducing emissions from procuring and delivery of new goods and providing social value when items are re-used in the community.

The Trust implemented a re-use portal, Warp-It, in December 2019. The portal allows staff within the Trust to donate and claim items, such as furniture, and redistribute items to other users in the Trust. Using the system saved the Trust £4,800, nearly 3000kg of CO_2e and avoided 800kg of materials being turned into waste in the first 3 months of use. The Covid-19 pandemic and the associated changes to working practices and infection prevention guidelines reduced uptake of the portal since March 2020 and total savings to date (March 2021) were £6600, 3800kg of CO_2e emissions and 1100kg of waste saved from disposal. In 2021/22 further savings £3,616 were achieved plus 1650kg of CO_2e emissions and 5057kg of waste saved from disposal.

Further promotion of Warp-It is planned for 2023.

Plastic straws have been removed from Trust restaurants and from regular meal service (NB. a small number of plastic straws are still used by patients who require a flexible necked straw). Single-use plastic takeaway food containers have been replaced with compostable alternatives, alongside the sale of re-useable cups to encourage staff to take drinks away in reusable containers. The Trust signed the NHS Plastics Pledge in March 2020, committing to reducing the number of single use plastics used in the Trust.



Travel and Logistics

The tables below outline the number of miles and CO_2e emissions for each transport category.

Table 1: Transport emissions excluding staff commute and patient and visitor travel

Fleet, pool vehicles and business travel. Mileages and emissions				
Category	Units	2019/20	2020/21	2021/22
Fleet and Pool Vehicles	**(Miles)**	**1,087,558**	**933,895**	**1,065,304**
Fleet and Pool Vehicles	(tCO_2e)	390	319	372
Business travel	(Miles)	3,216,533	2,398,837	2,895,880
Business travel	(tCO_2e)	1,151	818	1,009
Business travel via active/public transport	(Miles)	387,315	47,798	188,103
Business travel via active/public transport	(tCO_2e)	30	3	13
Owned Electric and PHEV	(Miles)	114,722	102,242	87,381
Owned Electric and PHEV	(tCO_2e)	13	12	10
Annual Total	**(Miles)**	**4,806,128**	**3,636,435**	**4,258,922**
Annual Total	**(tCO_2e)**	**1,584**	**1,152**	**1,404**

The Trust total emissions from its fleet have increased every year until 2020/21 when the Covid-19 Pandemic and the availability of tele- and videoconferencing reduced the need for travel. Whilst the total miles have not yet returned to the pre-Covid levels, there has been a significant increase in both business mileage and fleet and pool car mileage in 2021/22. The detail of the spilt between fleet and pool cars is given below and it can be seen that fleet mileage has continued to increase year on year but pool car mileage (along with all other business travel) has not returned to pre-Covid levels due to use of virtual meetings which have replaced many in person meetings. Both the use of virtual meetings and the transition to active travel and/ or electric vehicles will be needed to achieve the carbon reduction targets.

Table 2: Mileage from non- electric fleet and pool cars

Fleet and Pool car mileage				
Category	Units	2019/20	2020/21	2021/22
Fleet	Miles	**472,854**	**552,363**	**569,381**
Pool	Miles	**614,704**	**381,532**	**495,923**

Table 3: Transport emissions – staff commute and patient and visitor travel

Patient and Visitor Travel/Staff Commute. Mileage and emission estimates				
Category	Units	2019/20	2020/21	2021/22
Patient and Visitor Travel	(Miles)	42,412,819	34,091,808	37,586,746
Patient and Visitor Travel	(tCO_2e)	15,176	11,625	13,100
Staff Commute	(Miles)	23,101,107	25,141,328	25,657,663
Staff Commute	(tCO_2e)	8,266	8,573	8,942
Annual Total	**(Miles)**	**65,513,926**	**59,233,136**	**63,244,409**
Annual Total	**(tCO_2e)**	**23,441**	**20,199**	**22,042**

The Trust can contribute to an improvement in local air quality and improve the health of its community by promoting active travel - to our staff and to the patients and public that use our services - and by converting the vehicles used in connection with the Trust services to electric. The Trust has already implemented a CO_2 cap on all new business vehicle leases and plans are being put in place to reduce this limit further.

The 2019 Trust Travel Plan (which is currently being reviewed) takes account of the NHS Long Term Plan Targets and the recent staff and patient/visitor travel surveys. The Travel Plan has five aims around which various targets and prioritised actions have been developed:

- To support and encourage healthy and active travel.
- To reduce travel related pollution and traffic congestion.
- To reduce single occupancy car journeys.
- To ensure that there is fair, consistent and adequate provision of transport and travel choices for all staff, patients and visitors.
- To contribute to the Trust wide environmental sustainability agenda.

Work has continued to promote healthy and active travel through a range of online promotions to staff at our York and Scarborough hospital sites (in conjunction with City of York Council and North Yorkshire County Council). This work has been supplemented with new additions such as electric scooters and electric bicycles.

Electric Scooters and Bikes (York)

In December 2020 York Hospital provided an electric scooter parking bay and thereby became a network location in the new City of York Council (Department for Transport approved) electric scooter and electric bikes scheme. Based on a pool-bike concept, the network has been fully established across York City centre and surrounding residential areas. This scheme offers an additional, fully electric, low carbon travel option for patients and visitors. Since the start of the scheme, over 4,090 journeys have been made to and from the Hospital

The 2017 NICE Guidance (NG70) on Air Pollution: Outdoor Air Quality and Health, which covers road-traffic related air pollution and its links to ill health, has served to highlight the need for action based on the links between action to improve air quality and the prevention of a range of health conditions and deaths. The Trust has recorded its current status on NG70 as 'Partially compliant with an action plan'.

The Trust also participates in National Clean Air Day promotions with the City of York Council on an annual basis, with a focus on encouraging modal shift towards more sustainable transport options and reducing idling of stationary vehicles on site.

Public transport is promoted as a means of accessing its main sites at York and Bridlington. The Trust has recently agreed to fund a three month pilot scheme offering free public transport to it's staff to encourage modal shift and help to reduce local pollution and congestion.

The Trust continues to use Liftshare (a car journey sharing platform) where colleagues can travel together to work and compensate the driver for petrol. This has a number of benefits:

- Reduced cost of travel for staff.
- Reduced single occupancy car journeys and associated emissions.
- Increased availability of on-site parking.

As of 5 April 2023, the Trust Liftshare scheme had 363 members but with our numbers staying static for the last couple of years because Trust policies prevented promotion during times of social distancing due to high numbers of Covid-19 locally. Whilst the Covid-19 social distancing rules have now been lifted, a lack of promotion and then free car parking has meant that a number of people have left the scheme. A new car parking permits scheme is due to be introduced in June 2023 along with Automatic Number Plate Recognition. At this time priority spaces for car sharers will be able to be reintroduced.

A review has been undertaken of cycling facilities at the Trust's main sites and earlier this year a new 100 bike capacity cycle store has been installed at York Hospital, complete with CCTV, security-controlled access and lighting. The facility is due to open in April 2023 once some adjacent electrical works are completed.

The Trust is also working in partnership with NHS Supply Chain to reduce the number of single supplier deliveries and consolidate to a smaller the number of deliveries that are made to site.

Waste

Total waste increased by 260 tonnes (11%) between 2019/20 and 2021/22, with high levels of infectious waste volumes due to the ongoing Covid-19 cases.

During the last year a business case was approved to allow the Trust to establish a waste trainer/ auditor role. A new waste trainer auditor came into post in December 2022 who has begun carrying out comprehensive audits across wards and departments. accompanied by ongoing training, individual and team advice and support which is improving waste segregation in line with the national targets and Health Technical Memorandum.

Trust waste overview 2019/20-2021/22

Waste tonnages and emissions				
Category	Units	2019/20	2020/21	2021/22
Other Recovery Energy from waste and Autoclave treatments	(Tonnes of Waste)	1,490	1,598	1,653
Other Recovery	(tCO2e)	195	314	328
Incineration disposal	(Tonnes of Waste)	296	223	255
Incineration disposal	(tCO2e)	310	234	267
Landfill disposal	(Tonnes of Waste)	14	4	-
Landfill disposal	(tCO2e)	3	1	-
Waste recycling	(Tonnes of Waste)	576	665	728
Waste recycling	(tCO2e)	25	29	31
Total waste spend	(£)	1,706,021	1,528,931	1,470,513
Total Waste Tonnage	(Tonnes of Waste)	2,376	2,491	2,636
Total Carbon emissions	(tCO2e)	533	578	627

It is encouraging to note that waste recycling is increasing year on year, but so has the total tonnage of waste, resulting in 17.6% increase in carbon emissions from our waste.

No waste is sent to landfill and recycling rates- have increased by 3.4% to 27.6%.

Water and Sewerage

Water use emissions decreased by 68% between 2019/20 and 2021/21 but this can be partly attributed to the reduction in patient contacts which decreased by 11% during this period due to the Covid-19 pandemic restrictions. However, this only accounts for about half of the reduction as the reduction in the volume of use of mains water and sewerage reduced by 20%. The carbon conversion factor also decreased significantly during this period. At the present time it is unclear how this reduction has been achieved but this is being investigated.

Total usage and emissions from water and waste water

Category	Units	2019/20	2020/21	2021/22
Mains water and sewerage	(m3)	644,791	552,173	516,895
Mains water and sewerage	(tCO2e)	326	279	105
Mains water and sewerage	(£)	828,219	777,068	726,989
Patient contacts	Total number per annum	1,219,460	980,213	1,080,700

In the News – Looking Back on 2022/23

April 2022

Work started on a new Urgent and Emergency Care Centre

In April, work began on a new £47m Urgent and Emergency Care Centre at Scarborough Hospital, marked by a ground-breaking ceremony to mark the official start of the scheme. It is the largest capital scheme ever undertaken by the Trust.

The project includes a two-storey new build combining and expanding the current emergency department, same day emergency care and the acute medical unit. As well as improving outcomes for the frail elderly, it will also ensure some of the most critically ill patients in the hospital are cared for in one integrated clinical ward environment rather than being moved to other wards. The second floor will house critical care services and will increase bed capacity which will help relieve the pressure on beds elsewhere in the Trust.

The new centre is planned to open in the Spring of 2024.

May 2022

Bridlington Hospital set to become eco trailblazer

In May, a grant to improve energy use and sustainability was awarded to Bridlington Hospital which will see it become one of the most eco-friendly buildings on the East Coast.

The £4.735m grant from the Department for Business, Energy, and Industrial Strategy (BEIS) and managed by Salix Finance, supports the transition from fossil fuel such as gas, oil, and coal heating to renewable technologies.

At Bridlington Hospital the funding has the potential to make the site a shining example of sustainability, achieving close to zero carbon emissions by replacing a twenty-year-old boiler with an air source heat pump.

June 2022

Surgical robot set to transform cancer operations

Surgical procedures at York Hospital took a giant leap forward with the purchase of a new robotic surgical system in June, which enables surgeons to perform delicate and complex operations through a few small incisions.

The surgical robot has been part funded by local charity York Against Cancer with a generous donation of £680k over the next two years to enable the operation of the robot.

The innovative technology is less invasive than open surgery and allows more precision in difficult to access areas than traditional key-hole surgery, leading to fewer complications. It is suitable for a wide range of procedures including cancers in hard-to-reach areas.

Rewarding our long serving staff

After three long years our 25 year and 40 year long service staff were able to celebrate at awards ceremonies in both York and Scarborough. As well as a celebration dinner where staff could bring a guest, they received a Yorkshire Finest food hamper, a pin badge, and a certificate.

Simon Morritt, our Chief Executive, said: “It was fantastic to finally celebrate the service, commitment and skills of staff who have shown their loyalty to the Trust over many years. After such a tough three years it was a huge honour to present the awards to so many who have made a huge difference to countless patients and colleagues along the way.”

Estates and Facilities Day

The very first National Healthcare Estates and Facilities Day took place in June and there was real celebration across the Trust for the valuable contribution teams make towards patient care and the running of the organisation.

Estates and Facilities services are estimated to make up around eight percent of NHS staffing and without them it would be impossible for our doctors, nurses, and medical staff to do their jobs.

July 2022

Wellbeing gardens open at York Hospital

A charity funded scheme to create much-needed wellbeing gardens for staff and patients opened in July, officially opened by Simon Morritt, Chief Executive and Alan Downey, Chair.

Funds were raised during the height of the Covid-19 pandemic to transform two gardens in courtyards at York Hospital, for staff to take a much-needed break in an outdoor space.

The gardens were created with input from our staff, who were invited to put forward their suggestions of how to make the best use of the outdoor space to connect with others and reflect during Covid-19 times.

August 2022

Bridlington Hospital becomes centre for improving community health

In August, Bridlington Hospital relaunched a programme to improve physical ability and promote mental wellbeing for people in Bridlington and East Yorkshire. The programme is designed to bring Bridlington Hospital back to the heart of the community, offering a base for people to access and engage with services and any support they may need.

The hospital, working in partnership with the health and wellbeing team at East Riding of Yorkshire Council, have developed a programme of social and physical activities for inpatients to access on Johnson ward and the Bridlington Community Unit (BCU). The programme can help reduce the length of stay for patients in hospital, prevent falls, reduce social isolation on discharge and increase quality of life for patients and their carers.

September 2022

Scarborough nurses celebrate world cultures

In September, team members from all different parts of the world came together at Scarborough Hospital to create the first ever Festival of Culture where staff spent a week sharing, enjoying, and learning about their colleagues' cultures.

The Trust has over 350 international nurses who play an essential role and contributions came from staff from India, Pakistan and Nepal, Philippines, Africa, Britain, and the rest of the world. The week involved food, music, and dancing, and culminated in a huge beach party at Scarborough's North Bay with around 200 people joining in.

Freya Oliver, Associate Chief Nurse at Scarborough Hospital, said: "Sharing our cultures is such an important part of helping our international colleagues thrive, and we're proud to see it done so well

in Scarborough. The full week event, which was driven by our international nurses in their own time, was amazing and really built the team spirit. The staff loved learning about different cultures and the beach party was extraordinary - full of joy and happiness."

Film created for Organ Donation Week

To mark this year's Organ Donation week in September, the Trust's organ donation team supported the campaign by sharing a specially produced animated film which carefully explains the organ donation process when people are in hospital.

During the year, the Trust was able to facilitate eleven organ donations - meaning 25 people got a lifesaving transplantation. The Trust's organ donation committee are keen to share their stories of organ donation to highlight the importance of people talking about it and registering a decision. You can visit the Trust's webpage to watch the film www.yorkhospitals.nhs.uk/our-services/organ-donation/

NHS celebrates achievement awards three years on

For the first time in three years, we were able to gather and publicly recognise our staff who have gone over and above in their work.

Over 300 staff and guests from across the Trust attended the 'Celebration of Achievement' awards at a glittering ceremony at York Racecourse - the first time since the start of the Covid-19 pandemic. The event, which was fully funded through sponsorship, showcased the excellent work taking place throughout our organisation. Individuals and teams were nominated by their own colleagues, and by patients who have been on the receiving end of great care.

Picking up top awards for going above and beyond were healthcare staff from hospitals and community teams, as well as a very special Chief Executive award for our Covid-19 wards. A very special night to remember.

October 2022

Celebrations to mark milestone of York Hospital's new multi-million-pound development

In October, York Hospital marked a significant milestone in the building of our new £18m upgrade to the Emergency Department with the completion of the roof.

The 'watertight' event, a tradition in the building industry, marked the next phase where work can begin on the interior of the new development. It was celebrated by Simon Morritt, Chief Executive and staff from the Emergency Department who were given a tour of the interior space.

The multi-million-pound investment to develop a brand new two-storey extension and eight bedded resuscitation area to the Emergency Department will increase capacity and improve care for patients. It is a crucial step closer to providing this much-needed improvement. The project is expected to be complete in the spring of 2023.

Nucleus roll-out

During October, Nucleus, our ground-breaking new software system, was rolled out at pace and revolutionised the admission process for hospital inpatients.

The software, which was developed in house using ideas and feedback from staff, can be used on handheld devices to help reduce duplication of work and help deliver better care for adult inpatients. Ultimately it means more time for staff to care for patients.

November 2022

Research hits 50,000 milestone

In this month, we celebrated a key milestone and celebrated the fact that more than 50,000 people have taken part in research trials at the Trust since 2010 when records began with the Clinical Research Network.

To highlight the milestone, we hosted our first 'Celebration of Research' event to mark over 1,000 studies hosted and delivered. The studies cover a wide range of clinical trials and involve collaboration with universities, NHS partners and the private sector.

The 200 invited guests heard from a variety of York based researchers and Professor Sir Martin Landray, Professor of Medicine, and Epidemiology at the University of Oxford and HDR UK's Science Priority Lead for Clinical Trials.

New medical director appointed

This month we also welcomed a new Medical Director, Karen Stone.

Karen is responsible for the appointment, development, and professional leadership of medical and dental staff. Karen acts as the Responsible Officer for the Trust and is responsible for medical leadership including professional standards, appraisal and revalidation and appointments. She also has responsibility for medical education, patient safety, clinical audit, medication safety, clinical risk and medico-legal matters.

In welcoming Karen, we said goodbye to Medical Director, Jim Taylor, who has been with our Trust for over 20 years and retired at the end of November. Jim made a significant contribution during his time with us, both as a surgeon and in a range of clinical leadership roles.

December 2022

Archbishop visit

The Archbishop of York paid a special festive visit to York Hospital in December, to meet staff and patients and visit wards.

The Most Reverend and Right Honourable Stephen Cottrell also met with, Alan Downey, Chair the Trust, and spent time with the Chaplaincy team and senior nurses at the hospital. Following visits to Wards 14, 16 and 34, the Archbishop returned to the Chapel where staff were invited to drop in, along with members of the hospital's senior team, for refreshments. The Archbishop gave thanks for those

who work so hard to bring relief and healing to so many in need and led prayers for the hospital and staff.

January 2023

Look after your lungs
In January, visitors to York Community Stadium were greeted by a 12ft high pair of giant lungs, courtesy of the Roy Castle Lung Foundation and York and Scarborough Hospitals Charity, to highlight lung health and to raise awareness of lung cancer.

Cancer specialist nurses invited visitors to step inside the 'Mega Lungs' to learn more about how the lungs work and find out more about the symptoms of lung cancer and local stop smoking services. Lung cancer is the third most common cancer in the UK and around 48,500 people are diagnosed with it each year. More than 70 percent of lung cancer cases in the UK are caused by smoking, however almost a third of people diagnosed have not smoked.

February 2023

NHS raises the flag for LGBTQ+ History Month
In February, the Trust celebrated LGBTQ+ History Month which brings everyone coming together in remembrance of lesbian, gay, bisexual and transgender history.

The Trust's LGBTQ+ staff network led the celebrations with the raising of the Progress Pride Flag outside York Hospital. Over the last few years the Pride flag has been updated and changed to better include and represent more communities.

At York the hospital lights were turned rainbow colours as part of the celebrations.

March 2023

New text messaging service launched
Every year, thousands of patients accidently miss their hospital appointment simply because they forget when it is. Each missed appointment costs the hospital money in terms of the time our medical staff waste, £160 for each appointment, but more importantly, it means that the slot cannot be offered to another patient.

Through our new text reminder service, not only do patients get notified of their upcoming appointment, but it also offers them the opportunity to cancel or rearrange if they need to, by simply replying. This is helping us to see more patients, more quickly and it's quick and easy for our patients to use.

2022/23

Composition of the Board of Directors

The Board membership during the year was as follows:

Executive Directors

Name	Role	From	To
Simon Morritt	Chief Executive	August 2019	Present
Andrew Bertram	Finance Director Deputy Chief Executive	January 2009 May 2018	Present
Jim Taylor	Medical Director	October 2015	October 2022
Karen Stone	Medical Director	November 2022	Present
Wendy Scott	Chief Operating Officer	September 2017	June 2022
Melanie Liley	Interim Chief Operating Officer	July 2022	Present
Heather McNair	Chief Nurse	July 2019	Present
Polly McMeekin	Director of Workforce and Organisational Development	February 2019	Present
James Hawkins	Chief Digital and Information Officer	August 2022	Present

Non-executive Directors

Name	Role	From	To
Alan Downey	Chair	February 2022	May 2023
Jenny McAleese	Non-executive Director Vice Chair Senior Independent Director	March 2017 October 2020 May 2019	Present Present Feb 2020
Lorraine Boyd	Non-executive Director Senior Independent Director	April 2018 July 2018	June 2018 Present
Lynne Mellor	Non-executive Director	April 2018 July 2018	June 2018 Present
Stephen Holmberg	Non-executive Director	July 2019 March 2020	Present

Jim Dillon	Non-executive Director	July 2019	Present
Matt Morgan	Hull York Medical School Stakeholder Non-executive Director	June 2020	Present
Denise McConnell	Non-executive Director	November 2021	Present
Ashley Clay	Assoc. Non-executive Director	November 2021	April 2023

All NEDs are considered to be independent, meeting the criteria for independence as laid out in NHS England's Code of Governance.

The BoD has included an additional non-voting Director in the membership of the Board:

Non-voting Directors			
Name	**Role**	**From**	**To**
Lucy Brown	Director of Communications	February 2020	Present

There were no changes occurring in the Board membership during the year.

The gender balance and age profile of the Board at 31 March 2023 was:

Gender		
	Female	**Male**
Non-executive Directors including Chair	4	5
Executive Directors	4	3
Corporate Directors	1	0

Age	
Range	**No. of Directors**
18 - 39	1
40 - 49	2
50 - 59	8
60 - 69	5
70+	0

Directors Biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chair, Chief Executive, Executive and Non-executive Directors were appointed to the BoD as follows:

Interim Chair – Mark Chamberlain

Appointed May 2023

Mark was appointed Interim Chair of the Trust in May 2023. He is an experienced NED from Humber & North Yorkshire ICB and a former Deputy Chair of Leeds Teaching Hospitals. The bulk of Mark's earlier career was with BT where he held a variety of senior roles in HR, marketing, operations, strategy, business transformation and business development. He was a member of the BT Yorkshire & The Humber Regional Board from 2000 to 2014 and a Non-Executive director of the Learning and Skills Council Regional Board until 2010. Mark is also Chair at Harrogate Integrated Facilities Ltd.

Chair – Alan Downey

Appointed February 2022 (resigned May 2023)

Alan began his career in the civil service before joining KPMG, where latterly he led the firm's public sector practice. He has subsequently held a number of Non-executive roles, including on the Board of South London and Maudsley NHS Foundation Trust and as Chair of South Tees Hospitals NHS Foundation Trust.

Chief Executive – Simon Morritt

Appointed August 2019

Simon joined the Trust from Chesterfield Royal Hospital NHS Foundation Trust, where he had been Chief Executive since 2016. He has more than 25 years' experience in the NHS, which he joined in September 1989 as a General Management Trainee in Greater Manchester. After roles across Yorkshire he went on to be successful in number of senior positions. His first Chief Executive post was for the Doncaster Central Primary Care Trust in October 2000 and he was appointed Chief Executive of the former Bradford and Airedale Teaching Primary Care Trust (now NHS Bradford and Airedale) in October 2006. Following his time in commissioning organisations, he became Chief Executive of Sheffield Children's Hospital.

Executive Finance Director – Andrew Bertram

Appointed January 2009
Deputy Chief Executive - appointed May 2018

Andrew has previously held a number of roles at the Trust, first joining in 1991 as a Finance Trainee as part of the NHS Graduate Management Training Scheme. On qualifying as an accountant, he undertook a number of finance manager roles supporting many of the Trust's clinical teams. He then moved away from finance to take a general management role as Directorate Manager for Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust, as their Deputy Finance Director, and then returning to York to become the Executive Finance Director. He has since been appointed Deputy Chief Executive in May 2018.

Executive Medical Director – Jim Taylor

Appointed October 2015 (resigned November 2022)

Jim graduated with a dental degree from Glasgow University in 1983. He then worked in posts in Bristol, Manchester and Greater London before re-entering medical school and graduating from Charing Cross and Westminster Medical School in 1993. Jim was appointed Medical Director for the Trust in October 2015. He has served as a Consultant Maxillofacial Surgeon with the Trust since 2001, providing services across North Yorkshire, including Scarborough and Bridlington, during that time.

Executive Medical Director – Karen Stone

Appointed November 2022

Karen graduated from Birmingham University with a medical degree in 1990. She then worked in posts in paediatrics in Birmingham, London and Yorkshire. She was appointed to a consultant paediatric post with an interest in emergency paediatrics at Pontefract General Infirmary in 2001 after obtaining her Certificate of Completion of Specialist Training. Her career at Pontefract, which became part of the Mid Yorkshire Hospitals Trust, saw her develop into an accomplished medical leader. In 2014 Karen became the Medical Director, a post that she has left to join YSTHFT.

Executive Chief Nurse – Heather McNair

Appointed July 2019

Heather joined the Trust from her previous position as Director of Nursing and Quality at Barnsley Hospital NHS Foundation Trust. She is a qualified midwife and became Head of Midwifery at Huddersfield Royal Infirmary in 1998 before becoming Deputy Director of Nursing in 2001, a post she held for 10 years.

Executive Chief Operating Officer – Wendy Scott

Appointed September 2017 (resigned June 2022)

Wendy joined the Trust in July 2012, managing Scarborough, Whitby and Ryedale and York and Selby Community Services. She was the Director of Out of Hospital Care from October 2015 to August 2017, when she took up her current post as Chief Operating Officer. Wendy is a nurse by background and then moved into commissioning roles.

Interim Executive Chief Operating Officer – Melanie Liley

Appointed July 2022

Melanie has worked in the NHS for more than 30 years; she is a registered physiotherapist, has worked as a lecturer at Nottingham University, and has held a number of clinical roles, operational management roles and professional leadership roles in acute and community settings. Melanie has been with the Trust since 2009, holding the role of Deputy Chief Operating Officer before her current position. Before that, she has spent time managing a number of services including therapy services, Community Services, Emergency Medicine and Trauma, and Orthopaedics.

Executive Director of Workforce and Organisational Development – Polly McMeekin

Appointed February 2019

After graduating from Durham University in 2000, Polly began her career in Financial Services. In 2002 she joined the NHS working for Great Ormond Street Hospital, where she trained in Human Resource Management. Polly joined Harrogate and District NHS Foundation Trust 2009 and progressed to Deputy Director of Workforce and Organisational Development before she left in 2015. She joined the Trust in September 2015 as Deputy Director of Workforce reporting into the Chief Executive. She was subsequently appointed to the position of Director of Workforce and Organisational Development in February 2019. Her portfolio includes Human Resources, Organisational Development, Corporate Learning and Equality and Diversity.

Executive Chief Digital and Information Officer – James Hawkins

Appointed August 2022

James joined the Trust from NHS Digital where he had several different roles on the executive team and was central to the delivery of many of the national NHS IT systems and services and commercial frameworks, such as the NHS App, NHS.UK, NHS 111, NHS Summary Care Records and the GP IT Commercial Framework to name a few.

Non-executive Director - Jenny McAleese

Appointed 1 March 2017
Senior Independent Director from May 2019 – February 2020
Vice Chair from September 2020

After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS Trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst. In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive until retiring in October 2016.

Non-executive Director – Lynne Mellor

Associate Non-executive Director from 1 April to 30 June 2018
Appointed 1 July 2018

Lynne brings over 26 years of experience in the public and private sector, having held a wide-range of leadership positions with a particular focus in the network and IT sector.

Non-executive Director – Lorraine Boyd

Associate Non-executive Director from 1 April to 30 June 2018
Appointed 1 July 2018
Senior Independent Director from June 2022

Lorraine is a GP and brings 30 years of experience of direct patient care. In recent years Lorraine has been involved as GP representative within NHS Vale of York Clinical Commissioning Group and The Humber, Coast and Vale Sustainability and Transformation

Partnership. She is the founder Directory of City and Vale GP Alliance and she has supported the development of collaborative working between the Trust and primary care.

Non-executive Director – Jim Dillon

Appointed 1 July 2019

Jim was Chief Executive at Scarborough Borough Council from April 2006 until his recent retirement. Before that he was a Director at Ipswich Borough Council. Jim has a strong passion for the Scarborough area and wishes to continue contributing to improving the quality of life of the community through being a Director of the Trust and having been involved at a strategic level of health and wellbeing agenda at both local and regional levels for many years.

Non-executive Director – Stephen Holmberg

Appointed 1 July 2019
Senior Independent Director from March 2020 - May 2022

Stephen has been a Consultant Cardiologist in the NHS with more than 25 years' experience in direct patient care. He brings extensive experience as a previous Trust Board Executive and also held senior roles in other NHS organisations and the charitable sector. Steve has a strong interest in education in health care and in the development of safety and quality in patient care.

Non-executive Director (Hull/York Medical School Stakeholder) – Matt Morgan

Appointed 1 June 2020

Matt is Deputy Dean and Professor of Renal Medicine and Medical Education at Hull York Medical School. As Deputy Dean he supports the Dean in the strategic development and delivery of the Medical School. Matt has wide experience in both undergraduate and postgraduate medical and allied health profession education and is a Fellow of both the Higher Education Academy and the Royal College of Physicians. He has also been active in promoting diversity and inclusion in healthcare and healthcare education. He continues to practice as a consultant in renal medicine in the NHS.

Non-executive Director - Denise McConnell

Appointed 1 November 2021

Denise is a qualified chartered accountant, and brings over 30 years of experience of working in the private, public and charitable sectors. Since 2011 she has worked in higher education where she was interim chief financial officer for a number of universities, including Hull and Durham.

Associate Non-executive Director - Ashley Clay

Appointed 1 November 2021 (resigned April 2023)

Ashley was appointed as an associate Non-executive Director of YSTHFT in 2021. He is a qualified chartered accountant, and brings over 14 years of experience of working in the private sector, where he has held a range of leadership positions throughout Europe.

A further Director has provided additional support to the Board:

Director of Communications – Lucy Brown

Appointed February 2020

Lucy joined the Trust in July 2008 as Communications Service Manager, bringing a wealth of knowledge with her. She established the Trust's first in-house communications function and was later appointed Head of Communications in 2011, reporting to the Chief Executive. Her portfolio includes media relations and PR, internal communications, stakeholder engagement and charity fundraising. She was appointed Acting Director of Communications in June 2018 and was appointed to the substantive role in February 2020.

Register of Directors' Interests

Declarations of interest by members of the Trust Board are sought at each meeting of the Board and its committees and recorded in the minutes of the relevant meetings. The Register of Interests of Board Members is published each year on the Trust website, and includes those interests recorded during the preceding 12 months for Directors whose appointments have terminated in-year.

Guidance to the codes defines 'relevant and material' interests as follows:

a) Directorships, including Non-executive Directorships held in private companies or PLCs (with the exception of those for dormant companies)
b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS
c) Majority or controlling shareholding in organisations likely or possibly seeking to do business with the NHS
d) A position of authority in a charity or voluntary organisation in the field of health and social care
e) Any connection with a voluntary or other organisation contracting for NHS services
f) Research funding / grants that may be received by an individual or department
g) Interests in pooled funds that are under separate management.

The public can access the register on the website, or by making a request in writing to:

The Associate Director of Corporate Governance
York and Scarborough Hospitals NHS Foundation Trust
Wigginton Road
York YO31 8HE

Or by emailing mike1.taylor@nhs.net

Board Committees

During 2022/23 the Trust had six Board Committees: the Quality and Safety Assurance Committee, the Digital, Performance and Finance Assurance Committee, the People and Culture Assurance Committee, the Group Audit Committee, the Remuneration Committee and the Executive Committee. The Resources Assurance Committee had its duties transferred to the Digital,

Performance and Finance Assurance Committee and the People and Culture Assurance Committee respectively in July 2022.

All the Committees, except the Executive Committee, are chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors. Each Committee is supported by the Executive Directors and managers of the Trust. The Executive Committee is chaired by the Chief Executive and is the senior operational Committee of the Trust.

Remuneration Committee

Details of the Remuneration Committee can be found on page 81.

The Group Audit Committee

The Group Audit Committee met five times during the year. Attendance and membership of the Committee is as follows:

	03/05/22	16/06/22	06/09/22	14/12/22	17/03/23
Jenny McAleese (Chair)	✓	✓	✓	✓	✓
Lynne Mellor	✓	Ap	-	✓	✓
Stephen Holmberg	✓	Ap	✓	Ap	✓
Denise McConnell	✓	✓	✓	✓	-

A number of officers attended the meetings to provide assurance to the Committee, including:

- Andrew Bertram, Deputy Chief Executive / Finance Director
- Steve Kitching, Deputy Finance Director
- Helen Higgs, Head of Internal Audit
- Jonathan Hodgson, Audit Manager
- Marie Dennis, Counter Fraud Officer
- Penny Gilyard, Director of Resources, YTHFM
- Caroline Johnson, Deputy Director of Governance and Patient Safety
- Mike Taylor, Associate Director of Corporate Governance
- Mark Dalton, Engagement Lead, Mazars
- Alastair Newall, Engagement Lead, Mazars
- Mark Outterside, Engagement Manager, Mazars

The Committee receives reports from internal and external auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the BoD. The Committee considers matters for both the Trust and YTHFM.

The Trust has an independent internal audit function provided by Audit Yorkshire. The internal audit service also provides audit services to a number of other Foundation Trusts and other NHS organisations in the region. To coordinate the governance and working arrangements of the service, all Trusts that obtain services from the internal audit service are members of the Board of Audit Yorkshire.

The internal audit service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Group Audit Committee meeting on the progress of the work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

The list of activities below shows some of the work the Committee has undertaken during the year:

- Considered internal audit reports and reviewed the recommendations associated with the reports.
- Reviewed the progress against the work programme for internal and external audit and the Counter Fraud Service.
- Considered the annual accounts and associated documents and provided assurance to the BoD.
- Considered, provided challenge and approved various ad hoc reports about the governance of the Trust.
- Received the work of the Data Quality Group and cross related it to other Group Audit Committee information.
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the Quality Report.
- Reviewed and monitored the clinical audit process, triangulating information with the Quality and Resources Committees to ensure there is also assurance around effectiveness of the processes in place.
- Considered the effectiveness of the Committee and internal audit.
- Provided a focus on risk management, the Corporate Risk Register and Board Assurance Framework processes in order to challenge and evolve the documents.

Role of Internal Audit

The Group's internal audit and anti-crime services are provided by Audit Yorkshire. Audit Yorkshire provides independent assurance to the BoD via the Group Audit Committee. We fully conform with the Public Sector Internal Audit Standards, as verified by our latest External Quality Assessment undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The Managing Director and Head of Internal Audit is supported by two Deputy Directors and a management team, all of whom are professionally qualified. All Audit Yorkshire's auditors are either qualified or working towards an externally validated professional qualification to ensure the organisation has the correct skill set to deliver a wide range of assurance reviews and demonstrate proficiency and due professional care. At the start of the financial year, or on commencement of employment with Audit Yorkshire, all internal auditors complete a declaration and certify that they have no conflicts of interest which might compromise their independence whilst working for Audit Yorkshire.

Audit Yorkshire has extensive experience of delivering high quality and cost-effective Internal Audit services to their members. The approach and methodology is to:

- Provide an independent and objective annual opinion on risk management and governance, compliant with the prevailing Public Sector Internal Audit Standards.
- Provide professional, high quality audit coverage of key areas of risk and operational issues.
- Provide clear opinions on systems of internal control.
- Use the audit coverage and collate the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement.

- Offer value-added work to assist the Group in making business improvements and achieving its corporate objectives.

As well as undertaking specific audits and other pieces of work commissioned by the Group, Audit Yorkshire also provides general advice on governance, anti-crime and systems/process issues and undertakes consultancy/advisory work as required.

Role of External Audit

External Auditors are invited to attend every Group Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Group Audit Committee at any time. The Trust's current External Auditors are Mazars who were appointed at the beginning of August 2020 to provide this service for the Trust. This contract has been extended in March 2023 for a further two years approved by the Trust's CoG as per the original terms of the contract.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements.
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Group Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is received by the Group Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Group Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Group Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is presented. This allows the Committee members time and space to:

- Discuss the organisation's audit risks.
- Reflect on the previous years' experience.
- Be updated on likely changes and new issues.
- Ensure coordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan and what they will receive from the external auditors, balanced against an understanding of the auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with NHSE's guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the external auditors.

The annual audit plan is kept under review to identify any amendments needed to reflect emerging audit risks. The Group Audit Committee receives material changes to the annual audit plan.

External audit works with both management and other assurance functions to optimise their level of coverage.

Data Quality Working Group

The Data Quality Group, a sub-group of the Group Audit Committee and chaired by NeD Jenny McAleese, examines and understands data quality issues relating to finance, human resource, risk and legal services and patient information systems. This work has continued throughout the year. The group has received presentations from information system owners and actively sought

assurances from these owners on aspects of data quality. The assurance work has specifically explored issues in relation to the integration and development of systems. The group uses the intelligence it is gathering to test the robustness of the internal audit work programme in seeking and further supporting assurance on system data quality issues.

The group has met three times during this period. Membership of the group comprises:

- Jenny McAleese, Non-executive Director
- Lynne Mellor, Non-executive Director
- Stephen Holmberg, Non-executive Director
- Andrew Bertram, Executive Finance Director
- Helen Higgs, Head of Internal Audit

Other senior managers and executive Directors attend as appropriate.

Digital, Performance and Finance Assurance Committee

The purpose of the Digital, Performance and Finance Assurance Committee is to provide assurance to the BoD around putting the best interests of patients first in relation to the Trust's digital and estates strategies, operational performance improvement and financial performance, drawing any issues or matters of concern to the attention of the BoD. Those responsibilities for workforce and organisational development transferred to the People and Culture Assurance Committee from July 2022.

The Digital, Performance and Finance Assurance Committee (formally the Resources Assurances Committee until July 2022) met monthly during the year. Attendance and membership of the Committee is as follows:

	19/04/22	17/05/22	21/06/22	19/07/22	20/09/22	18/10/22	22/11/22	13/12/22	17/01/23	14/02/23	21/03/23
Lynne Mellor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim Dillon	✓	Ap	✓	✓	✓	✓	Ap	✓	✓	✓	✓
Denise McConnell	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

A number of officers attended the meetings to provide assurance to the Committee:

- Andrew Bertram, Deputy Chief Executive / Director of Finance
- Polly McMeekin, Director of Workforce and Organisational Development
- Melanie Liley, Interim Chief Operating Officer
- Lynette Smith, Deputy Director of Planning and Performance
- Mike Taylor, Associate Director of Corporate Governance
- Penny Gilyard, Director of Resources, YTHFM
- Jane Money, Head of Sustainability, YTHFM
- Andy Williams, Interim Chief Digital and Information Officer (until July 2022)
- James Hawkins, Chief Digital and Information Officer (from August 2022)
- Simon Hayes, IT Services and Transformation Lead
- Rebecca Bradley, Head of Information Governance

- Jane Money, Head of Sustainability

The list of activities below shows some of the work the Committee has undertaken during the year:

- Board Assurance Framework
- Corporate Risk Register
- YTHFM
- Finance; capital, income, and expenditure
- Senior Information Risk Owner report
- Operational Performance reports
- Sustainability
- Digital including cyber security
- Draft year-end financial outturn and financial regime for 2022/23
- Data protection

Quality and Safety Assurance Committee

The purpose of the Quality Assurance Committee is to provide assurance to the BoD around patient safety and putting the interests of patients first in relation to the Trust's performance on quality and safety and transformational quality improvement and drawing any issues or matters of concern to the attention of the BoD. Those responsibilities for operational performance transferred to the Digital, Performance and Finance Assurance Committee from July 2022.

The Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	19/04/22	17/05/22	21/06/22	19/07/22	20/09/22	18/10/22	22/11/22	13/12/22	17/01/23	21/02/23	21/03/23
Steven Holmberg (Chair)	✓	✓	✓	✓	✓	Ap	✓	✓	✓	✓	✓
Jenny McAleese	✓	✓	✓	Ap	✓	✓	✓	✓	✓	✓	Ap
Lorraine Boyd	✓	✓	✓	Ap	✓	Ap	✓	✓	✓	✓	✓
Ashley Clay	-	-	-	✓	-	-	-	-	-	-	-
Matt Morgan	-	-	-	-	-	✓	-	-	-	-	-

Key officers attended the meeting to provide assurance to the Committee, including:

- Heather McNair, Chief Nurse
- Jim Taylor, Medical Director (until November 2022)
- Karen Stone, Medical Director (from December 2022)
- Wendy Scott, Chief Operating Officer (until June 2022)
- Caroline Johnson, Deputy Director of Patient Safety, Medical Governance
- Donald Richardson, Consultant, Medical Specialties
- Lynette Smith, Deputy Director of Planning and Performance (until June 2022)
- Emma George, Assistant Chief Nurse
- Sue Glendenning, Interim Director of Midwifery

- Sarah Ayre, Associate Director of Midwifery
- Mike Taylor, Associate Director of Corporate Governance

The list of activities below shows some of the work the Committee has undertaken during the year:

- Chief Nurse report
- Medical Director report
- CQC Compliance reports
- Infection Prevention and Control report
- Adult and child safeguarding
- Nurse staffing reports
- Complaints annual report
- Patient experience reports
- Pressure ulcer reports
- Falls reports
- End of life care reports
- Nutrition report
- Mortality review report
- Continuity of Carer progress update
- Serious Incident Reports
- Dementia report
- In-patient survey
- Safer Working Guardian report
- Duty of Candour report
- Governance and assurance report
- Maternity reports
- Ockenden Review
- Quality improvement report
- Health and safety review
- Patient equality, diversity and inclusion report 2021/22
- Quality Account report
- Care Group Assurance Reports
- Quality and Patient Safety reports
- Board Assurance Framework
- Corporate Risk Register

People and Culture Assurance Committee

The purpose of the People and Culture Assurance Committee is to provide assurance to the BoD around the Trust's workforce strategy and organisation development performance relating to current and forward-looking workforce, financial and operational performance pressures and drawing any issues or matters of concern to the attention of the BoD. The Committee became operational following the responsibilities for workforce and organisational development being transferred from the Resources Assurance Committee from July 2022.

The Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	08/07/22	12/09/22	23/11/22	18/01/23	15/03/23
Jim Dillon (Chair)	✓	✓	✓	✓	✓
Lorraine Boyd	✓	✓	✓	✓	Ap
Matt Morgan	✓	✓	✓	✓	✓

Key officers attended the meeting to provide assurance to the Committee, including:

- Heather McNair, Chief Nurse
- Jim Taylor, Medical Director (until November 2022)
- Karen Stone, Medical Director (from January 2022)
- Polly McMeekin, Director of Workforce and Organisational Development
- Lucy Brown, Director of Communications
- Lydia Harris, Head of Research and Development
- Virginia Golding, Head of Equality, Diversity and Inclusion
- Mike Taylor, Associate Director of Corporate Governance

The list of activities below shows some of the work the Committee has undertaken during the year:

- Board Assurance Framework
- Corporate Risk Register
- Nursing Workforce Development
- WRES
- Freedom to Speak Up
- WDES
- Medical Training and Education Update
- Mandatory Training
- Research and Development Update
- Staff Survey
- Gender Pay Gap

Executive Committee

The Executive Committee is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the Executive Directors and Care Group Directors. The Executive Committee discusses the formulation and implementation of strategy as well as key operational decisions. The formed strategy proposals are discussed with the BoD through the Board and Board Committee meetings.

NHSE's Well Led Framework

NHSE states that it is good practice for organisations to conduct 'in-depth, regular and externally facilitated developmental reviews of leadership and governance' every three to five years. These reviews should then be used to facilitate development of the Board. The Key Lines of Enquiry which were developed also underpin the CQC's regular regulatory well led assessments.

The Trust has assured itself that it's well-led across its governance framework as detailed in the review of economy, efficiency and effectiveness of the use of resources section in the Annual

Governance Statement and via the Board's Committees in their activities across the year as detailed in the Director's report. The Trust's internal control framework as a key part of its self-assessment provides assurance in the Board Assurance Framework for management of strategic risks and their assurance and operationally via the Corporate Risk Register. The Risk Management Strategy was reviewed during the reporting period and improvements made to provide further assurance on the management of risks, issues and performance. The performance report also provides areas in which the Trust has sought to improve its services both regarding patient care and stakeholder relations.

The Trust carried out a well-led review in 2022/23 with NHSE which identified a series of actions to continually improve across its governance structure to improve efficiency and effectiveness of reporting and actions are progressing across the Trust. The CQC have subsequently conducted a well-led review with the Trust currently awaiting the final report.

Patient Experience 2022/23

Complaints and Concerns

663 formal complaints were received, up 8% from 2021/22 and 54% from 2020/21. In addition, the Trust received 769 concerns.

19% complaints related to Emergency Department services with patients telling us about the impact of long waiting times for treatment. The feedback reflects the pressures on our emergency services and patients are waiting longer for the care they need as national performance targets are routinely missed. High levels of hospital bed occupancy, delays in transferring patients out of hospital, and staff shortages throughout the urgent and emergency care system have all had an impact on waiting times this year. Staff continue to work exceptionally hard in the most difficult of circumstances, but it is anticipated that the high volume of complaints will continue for some months.

10% of complaints related to Obstetrics and Gynaecology services and reflect the pressures that the services have experienced over the last year.

Key themes

- Care needs not adequately met.
- Delay or failure in treatment or procedure.
- Communication with patient.
- Communication with relatives/carers.
- Attitude of nursing staff/midwives.
- Discharge arrangements.

The ongoing impact of the Covid-19 pandemic has meant that many patients requiring routine appointments or procedures are waiting much longer than we would normally expect, or want, as staff work to tackle the backlog and we have seen a constant number of complaints about delays including receiving results.

Communication problems occurred for a variety of reasons including language difficulties, poor communication skills, workload pressure, poor documentation, conflicts between staff members,

and ineffective communication systems across services. Patients remain frustrated at the challenges getting through to wards and the ophthalmology department.

Although caring with affection can be accomplished by small actions such as a smile or a reassuring look, staff attitude remains an area of concern. Patients reported that staff were sharp, abrupt and rude and did not always introduce themselves.

The Trust has an improvement plan to address some of the key themes identified from complaints, concerns, FFT and the inpatient survey. This is triangulated with patient feedback received from other sources such as Healthwatch. This plan is reviewed on a regular basis by the Patient Experience Steering Group, with quarterly updates provided to the Quality and Patient Safety Group (QPAS).

Patient Engagement

It has been a year of significant change for the Patient Experience Team, which has seen new roles developed and recruited to, an increase in the number of volunteers, including young people, and strengthened partnerships with Friends of York Hospital and the diverse stakeholder groups across our communities.

There has been a renewed focus on Patient and Public Involvement (PPI) with the appointment of a PPI Lead (secondee), a Patient Experience Facilitator and a Head of Patient Experience and Involvement.

This renewed focus has enabled us to increase the number and variety of opportunities to involve and engage our patients, carers, families and the public.

Activities have included:

Collaborating with the Patient Safety Team to recruit and induct two Patient Safety Partners (PSPs) in line with the renewed national focus on patient safety across the NHS. The PSPs joined colleagues for a conference about better involvement in patient safety and are part of the project group implementing the new Patient Safety Incident Response Framework (PSIRF) across the Trust.

Working with operational and planning colleagues to involve patients and volunteers in a simulation exercise to map the patient journey through the new-build emergency department at York.

Ensuring that patient representatives have been included in interview assessment centre panels for recruiting new members of the Patient Experience Team.

Bringing the Autism Liaison Lead together with people with lived experience of Autism to hear about their experience of our hospitals and services. Their comments and feedback informed and brought to life the Lead's successful presentation for funding to the ICB for a future Autism Support Service. Patients and carers were 'delighted to have been invited to talk to us', and 'grateful for the opportunity' to share their experiences.

Creating and delivering opportunities for staff to work with patients, carers and the public on improvements to services, including:

- An AHP MSK online self-referral system to speed up triage and release more time for MSK colleagues to spend with patients.
- New Bi-directional Outpatients SMS platform to improve patients' management of appointments and reduce DNAs.
- Revising the Patient Information Leaflet webpage to improve search function and ease of finding information.

We continue to progress the Scarborough and Ryedale Patient and Carer Experience (PACE) Forum, a joint venture with Humber NHS Foundation Trust, to engage with patients, carers, service users and families in the Scarborough and Ryedale area. The first forum meeting will be in May 2023.

We have strengthened our links and relationships with local and regional stakeholder groups, including patient organisations, carer support groups, local patient advocacy groups, charities. These groups have been represented at the activities above, as well as offering their Readability panels for written materials, and contributing to the revised Visiting Guidance for patients and the public. We also worked in partnership with Healthwatch North Yorkshire and their Dementia Volunteers to enable data collection the patient and carer experience surveys for the National Audit of Dementia (2022).

The Trust would like to thank all those patients, carers and members of the public who have contributed by sharing their lived experiences, discussing service improvements, and being involved in a range of engagement activities over the last year.

Volunteering

This year the Volunteering Service has added breadth and variety to the ways Volunteers can support the Trust. This has included:

Collaborating with HR and the Workforce Development Team on a 'Volunteer to Career' pathway. Twenty-six volunteers secured roles, such as, Healthcare Assistants and Patient Services Operatives.

Developing a mutual working relationship with York College to provide Health and Social Care students with volunteering placements as part of their course, and to provide the Trust with a larger number of Volunteers in the 16-18yrs age group. This collaboration provides students with first-hand experience of the NHS.

The Volunteer Service Team also overhauled the recruitment processes to include an induction and training day to better prepare them for the hospital environment, and a 'shadow shift' with an experienced volunteer. This helps the new volunteer to understand what is expected from them and reduce the burden on Trust staff to induct new volunteers. The Volunteer Services Team has received very positive feedback from these shadow sessions, from both staff and the Volunteers.

Surveys/FFT

We continue to revitalise FFT post Covid-19 and support teams who wish to increase response rates through QR codes and SMS. We share regular information through Care Group dashboards and monthly reports to support them to identify themes and improvement goals. We have introduced QR codes for FFT within the Emergency Departments and produced bespoke feedback for display in the departments. We have developed a Trust-wide improvement plan to oversee initiatives arising from patient feedback themes.

Partnerships and Alliances

Partnership working is a key strategic ambition for the Trust, supporting the delivery of effective healthcare to our communities. Collaborative working is a key contributing factor in the delivery of effective and patient centred clinical pathways.

The Trust has developed and is part of a number of clinical alliances with both Hull University Teaching Hospitals NHS Trust and Harrogate and District NHS Foundation Trust, which support the delivery of hospital services across the Humber and North Yorkshire Health and Care Partnership geographic area as part of an ICS.

Historically, Hull University Teaching Hospitals NHS Trust has provided specialist Neurosurgical and Cancer services for residents in the eastern side of the Trust's catchment population and there is an established Hull York Medical School.

Recently, networked specialist service developments in the areas of Hepatology, HIV, Renal, Cystic Fibrosis and Vascular Surgery involving the two organisations have been successfully established, enabling local access for patients across the combined geographic area.

Within the framework of the Humber and North Yorkshire Health and Care Partnership ICS, emerging enhanced collaborative service arrangements are being pursued with Hull University Teaching Hospitals NHS Trust, Northern Lincolnshire and Goole NHS Foundation Trust and Harrogate and District NHS Foundation Trust as part of a Collaborative of Acute Providers (CAP).

A key initiative during the pandemic period involved the sharing of waiting list information between the organisations and the development of plans around flexible use of buildings and staffing to deliver services and address waiting list pressures as part of an elective care recovery programme.

Sharing of physical capacity has enabled mutual aid to address waiting list pressures, in particular the delivery of day case and elective procedures in the specialties of Orthodontics, Urology and Plastics.

Plans are well underway to develop and extend mutual aid working across the three Acute Providers and the full range of elective care procedures.

The Trust is fully involved and represented in the developing ICS Elective Care Clinical Networks which seek to drive continuous quality improvements across whole system pathways and share and implement evidence based best practice.

The Networks are also key to the provision of clinical leadership and oversight to help recover elective services and reduce waiting times inclusively and collaboratively.

Networks in key Specialty areas of Orthopaedics, Urology, Ophthalmology, Gynaecology and ENT have been established with further Networks in the Lower and Upper GI Specialties and Peri-Operative and Anaesthetic areas due to be established shortly.

Plans are being developed to design surgical hubs to share capacity across the ICS area, implement best practice care pathways for elective procedures and streamline and standardise referral practices with the involvement of Primary Care colleagues.

A very positive relationship has been developed between the Trust and the Independent Sector during the pandemic under the auspices of the NHSE scheme for utilisation of Independent Sector capacity which was operational throughout 2020. Vulnerable clinical services such as Oncology and

Chemotherapy were temporarily relocated to Nuffield Hospital premises in York and urgent surgery was delivered on the Nuffield and Ramsay Clifton Park Hospital site.

Staff from York and the Nuffield and Ramsay Hospitals worked together in delivering care on all three sites, supporting outpatient consultations and surgical procedures in theatres and in ICU.

Building on these relationships, the Trust is engaged in a collaborative partnership with the Ramsay Group on the Clifton Park Hospital site in York, and has developed a new elective care unit for NHS surgical patients using NHSE capital monies (£3m) as part of the Elective Recovery Programme.

The Trust is also an active member of a developing Humber and North Yorkshire Cardiac Network of clinicians and managers. Key focus is the review and implementation of recently published national specification of standards.

Key priorities include full reviews of the Heart Failure, acute coronary syndrome (ACS)/ Non-ST segment elevation myocardial infarction (NSTEMI) and Cardiac Rehabilitation pathways and worked up plans to ensure compliance with standards along with a post Covid-19 Recovery strategy covering diagnostic service enhancements and development of performance targets.

In addition, as part of an emerging Imaging Network, a group of clinicians and managers has established a cross-organisational reporting hub to share capacity across partner Trusts, improve access to specialist reporting and maximise flexibility and working patterns for staff.

Plans are being developed to ensure shared care pathways and joint training and education programmes.

A formal Pathology service collaborative between the Trust and Hull University Teaching Hospitals NHS Trust has now been established.

The Pathology Collaborative has developed a detailed work programme of shared equipment investment to improve reporting, training of advanced practitioner staff to create additional capacity and has secured funding for a common information management system (£2.6m) to support integrated working. The system will be fully operational by late 2023.

Trust clinicians and managers are key members of the Humber and North Yorkshire Cancer Alliance (HNYCA) which shares best practice and drives service improvement and improvements in performance across cancer pathways.

Strong partnership working with the HNYCA has enabled the Trust to begin to successfully deliver the key themes in their Cancer Strategy 2020-2025 and the national requirements of the Long-Term Plan.

Through this relationship, the Trust continues to secure a significant amount of funding to support a range of improvement initiatives, including the ongoing funding for the Rapid Diagnostic Centre (RDC) service, the cancer improvement project team and additional endoscopy insourced capacity.

The learning from the RDC improvement initiative has now been embedded into the site-specific tumour pathways with the HandNYCA funding further Pathway Navigator roles to support patients from referral to diagnosis, which have all been appointed to.

In partnership with the HandNYCA collaborating with primary care we have developed and implemented the FIT +ve pathway for fast-track lower GI referrals, which is part of the national

cancer improvement actions. As part of this implementation a FIT -ve pathway has developed through the RDC service,

The HandNYCA have also continued to fund a number of roles to support these innovations and clinical leadership positions. These have enabled Trust clinicians to work across the patch shaping clinical services and reducing variation and inequality.

Work is also proceeding on the development of Community Diagnostic Centre spokes and Hubs which is an NHSE initiative focussing on earlier diagnoses for patients through easier, faster, and more direct access to the full range of diagnostic tests needed to understand patients' symptoms. The aim is to streamline the numbers of hospital attendances through the provision of multiple tests at one visit in acute and community settings. As part of the CDC development the IBS has procured mobile CT and MRI which attends sites in Hull, York and North Lincolnshire and Goole to provide additional diagnostic imaging capacity.

The ICB spoke business case is in the submission process and include the development of additional capacity at Selby Hospital and Askham Bar in collaboration with NIMBUS health.

The Trust continue to develop the Scarborough Hub business case with partnership with Scarborough Council for submission in 2023/24.

Recent service initiatives with Harrogate and District Foundation Trust have included the extension and enhancement of the Vascular Surgical service, the establishment of a Self-Care Dialysis unit for Harrogate residents and the development of a Hepatology outpatient service.

The York/Harrogate population is also served by combined clinical teams in the service areas of Head and Neck, Oncology and Ophthalmology and further potential joint developments in relation to the Vascular and Renal services are planned.

The Trust continues to build on its relationships with key local partners in delivering care to our local communities. Examples of this include strengthening relationships between GPs and hospital consultants to design new pathways of care, developing integrated teams of health and social care staff, working with mental health colleagues in the development of liaison services and collaboration with the voluntary sector in new partnerships.

The Trust is heavily involved in the emerging Humber and North Yorkshire Community Services Collaborative partnership. A key priority for the Collaborative has been to improve discharge from hospitals and to support the Humber and North Yorkshire Community Planning Submission. This has focussed on the planning priorities to transform and build community services capacity to deliver more care at home and improve hospital discharge.

Within York and Bridlington Hospitals two ward areas have been established as Care Units to look after medically fit patients prior to their planned discharge to a community setting.

Work has also been undertaken to increase the number of patients managed via 'Virtual Wards' (including hospital at home provision) and the delivery of two-hour urgent community response services to meet national standards.

The Trust continues to develop meaningful working relationships with commissioners, primary care and social care partners as part of an ICS.

Pivotal to this work is the development of local 'place' based planning arrangements across the Humber and North Yorkshire Health and Care Partnership geographic area covering the Trust catchment population.

The Trust is an active partner in the multiagency York Provider Alliance Board which is the vehicle for delivery of collaborative project working across the locality.

The operation of a joint children's assessment team involving community nurses and GP's in the York locality has recently been successfully piloted.

Planned initiatives include the development of a population health hub, joint funding arrangements between the agencies and an integrated approach to diabetes care across the primary, social and secondary care sectors

The Trust is actively involved in the York Community Stadium Project led by the City of York Council, as a tenant. From early 2021 when the Stadium opened officially, the Trust has been utilising space to deliver staff education and training and outpatient services in high quality accessible accommodation, which will relieve accommodation pressures on the main York Hospital site and associated premises.

Further utilisation of the Stadium premises is planned for outpatient and routine minor elective procedures and some therapy services over the course of 2023.

In addition, the Trust is developing its existing partnership working arrangements with the local Charity York Against Cancer who have recently supported the development of a Nurse Systemic Anti-Cancer Therapy (SACT) Clinical Educator post. A recently opened Community Cancer Care Centre in the Community Stadium involving Trust staff is funded and developed by YAC.

The McMillan Organisation (who have supported cancer specific roles over a number of years in the Trust) are also helping to redevelop the Cancer information and support centre at York Hospital.

It is envisaged that there will be scope for collaborative work with partner organisations in the fields of health promotion/education and training.

A positive working relationship has also been forged with the Scarborough and Ryedale Multi Agency Partnership Board and a full programme continues to be developed, with priorities focussed on the frailty pathway, direct transfers of care, mental health and the System Recovery Programme.

The Trust has been also engaged with the development of a multi-agency 'Healthy Bridlington Strategy' with a focus on health inequalities, education and workforce development, transport, digital developments, Covid-19 recovery, diagnostics, primary care, and voluntary sector engagement.

Plans are also being developed and actioned for future surgical and outpatient provision on the Bridlington Hospital site which also includes the development of Stroke service rehabilitation and frailty services. This work is being picked up as part of a multi-agency Committee Work Programme covering General Practice, Community Diagnostics, Palliative Care, Mental Health Services and Social Care reporting into the East Riding Locality Partnership Board.

The Digital and Information Service (DIS) within the Trust has been leading the way with Digital Partnerships and Alliances over the past year with partners across the Humber and North Yorkshire Health and Care Partnership ICS.

The DIS within the Trust has been continuing to build partnerships and alliances over the past year with partners across the Humber and North Yorkshire Health and Care Partnership ICS.

The Trust is working with partners across the ICS to progress the potential for collaborative approaches to rationalise EPRs, where it makes sense to do so.

There are many other cross-ICS digital programmes of work where the Trust DIS team have participated in or led. These include initiatives connected with the Imaging Collaborative, Badgernet Maternity Information Technology System, Laboratory Information Management System, and the Somerset Cancer Information System.

As an active partner within the ICS, the Trust continues to champion Digital and Information Systems as an enabler to producing better patient outcomes across the North Yorkshire and Humber ICS.

The Trust actively participates in development of the workforce strategy across the Humber and North Yorkshire Heath and Care Partnership ICS. It has taken a lead role in co-ordinating and driving many of the Place based workforce initiatives to ultimately achieve the aim of 'one workforce' across the locality of health and social care.

These range from small operational arrangements to ensure policy consistency to larger more bespoke programmes of work to establish a stronger recruitment pipeline and maintain staff retention.

Remuneration Report – Statement from the Chair

The following statement was written by the previous Chair of the Trust, who Chaired during the 2022/23 reporting period.

The Remuneration Report summarises our remuneration policy and, particularly, its application in connection with the Executive Directors.

The report also describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration as defined in the NHS Code of Governance, in sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ('the Regulations') as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 Schedule 8 of the Regulations and elements of the Foundation Trust Code of Governance.

The Remuneration Committee considers and acts with delegated authority from the Board of Directors on all matters concerning the remuneration, allowances and other terms of service of the Executive Directors. The Committee comprises the Trust Chair and all Non-executive Directors. The Committee is attended by the Chief Executive and others at the request of the Chair in an advisory capacity where appropriate.

Non-executive Directors' remuneration and terms and conditions of service are developed and reviewed periodically by the Council of Governors Nomination and Remuneration Committee and ratified by the Council of Governors.

All Directors of the Trust are subject to individual performance review. This involves the setting and agreeing of objectives for a 12-month period running from 1 April to 31 March. The very senior managers at the Trust received a 3% uplift during 2022/23 to reflect the cost of living in-line with the recommendations of the national Senior Salaries Review Body (SSRB) accepted by the government.

The full remuneration report of salary, allowances and benefits of senior managers are set out in the Salaries and Pension Entitlements of Senior Managers section of the Annual Report on Remuneration.

Remuneration for Non-executive Directors is also set out within that section and within the Full Statutory Accounts. No additional fees are payable in the role of Non-executive Director.

Signed by
Mark Chamberlain (appointed Interim Chair - May 2023)

M Chamberlain

Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2023

Remuneration Policy

Future Policy Table					
Item	**Salary/Fees**	**Taxable Benefits**	**Annual Performance Related Bonus**	**Long Term Related Bonus**	**Pension Related Bonus**
How this supports for the short and long term objectives of the Foundation Trust	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives	None disclosed	None Paid	None Paid	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Determined by the Remuneration Committee using a range of data and criteria as set out in the Remuneration Committee section. Paid in even twelfths	Senior Managers in the Trust are entitled to lease cars	None Paid	None Paid	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme, in line with national regulations
Maximum payment	As set out in the accounts	None disclosed	None Paid	None Paid	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	The Trust's Values Based Appraisal and objective setting process is used for all staff including Executive Directors, together with specific measures agreed for the Executive Team by the Remuneration Committee.	None disclosed	None Paid	None Paid	Not applicable
Performance period	Tailored to individual posts	None disclosed	None Paid	None Paid	Not applicable
Amount paid for minimum level of performance and any further level of performance	Salaries are agreed on appointment and set out in the contract of employment	None disclosed	None Paid	None Paid	Not applicable
Explanation of whether there are any provisions for recovery of sums paid to Directors or provisions for withholding payments	Any sums paid in error may be recovered.	None disclosed	None Paid	None Paid	Any sums paid in error may be recovered.

Service contract obligations

All Executive Directors are required to provide six months' notice; however in appropriate circumstances this could be varied by mutual agreement. Terms of each of the Non-executive Directors are given in the details of the Board members below.

Policy on payment for loss of office

Payment for loss of office is covered within contractual notice periods and standard employment policies and legislation. The Trust has made no provision for compensation for early termination and no payment for loss of office for senior managers.

Statement of consideration of employment conditions elsewhere in the Foundation Trust

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The Remuneration Committee agrees very senior managers' pay and conditions following consideration of benchmarking information on comparable roles.

The Non-executive Director fees are considered by the Council of Governors (CoG) Nomination and Remuneration Committee and a recommendation is approved by the CoG. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nomination and Remuneration Committee includes a Staff Governor as part of its membership. The CoG includes five Staff Governors as part of its membership.

Service contracts

All Executive Directors are employed on a permanent basis.

As stated in the Service Contract Obligations above, all Executive Directors are subject to six months' notice period and the Non-executive Directors are subject to a month's notice period. The table below shows their start and finish dates, where applicable, or if their role is current:

Executive Director	Title	Date of appointment	Contract date to
Simon Morritt	Chief Executive	August 2019	Current
Andrew Bertram	Finance Director	January 2009	Current
	Deputy Chief Executive	May 2018	Current
Jim Taylor	Medical Director	October 2015	November 2022
Karen Stone	Medical Director	November 2022	Current
Heather McNair	Chief Nurse	July 2019	Current

Wendy Scott	Chief Operating Officer	September 2017	June 2022
Melanie Liley	Interim Chief Operating Officer	July 2022	Current
Polly McMeekin	Director of Workforce and Organisational Development	February 2019	Current
James Hawkins	Chief Digital and Information Officer	August 2022	Current
Lucy Brown	Director of Communications	February 2020	Current

Non-executive Director	Title	Date of Appointment	Contract date to
Alan Downey	Trust Chair	01.02.22 (1st term)	Resigned May 2023
Jenny McAleese	Non-executive Director	01.03.23 (3rd term)	28.02.24
Lynne Mellor	Non-executive Director	01.07.21 (2nd term)	30.06.24
Lorraine Boyd	Non-executive Director	01.07.21 (2nd term)	30.06.24
Jim Dillon	Non-executive Director	01.07.22 (2nd term)	30.06.25
Steven Holmberg	Non-executive Director	01.07.22 (2nd term)	30.06.25
Matt Morgan	Non-executive Director	01.06.23 (2nd term)	30.06.26
Denise McConnell	Non-executive Director	01.11.21 (1st term)	31.10.24
Ashley Clay	Associate Non-executive Director	01.11.21	Resigned April 2023

Remuneration Committees

The Trust has two Remuneration Committees: The BoD Remuneration Committee and the CoG Nomination and Remuneration Committee.

Board Remuneration Committee

The Board's Remuneration Committee is composed of all NEDs and is responsible for determining and agreeing, on behalf of the Board, policies for the remuneration and terms and conditions of

service for all VSMs (Executive Directors and other managers on VSM contracts). It is responsible for considering the performance and annual objectives of the Chief Executive and Executive Directors and for termination arrangements that involve severance payment.

The Committee is responsible for:

- Reviewing of the structure, size and composition of the BoD.
- Developing succession plans for the Chief Executive and other executive Directors, taking into account the challenges and opportunities facing the Trust.
- Appointing candidates to fill vacancies amongst the executive Directors.
- Reviewing remuneration and terms of conditions for executive Directors and very senior managers (those managers not on NHS agenda for change pay scales).
- Recommending to the BoD the award of discretionary points for consultants and specialist and associate specialist and staff grade doctors.

The Trust Chair is the Chair of the Remuneration Committee and its members are the remaining Non-executive Directors. The Chief Executive attends for any decisions relating to the appointment or removal of the Executive Directors. The Committee is also advised by the Chief Executive on performance aspects, by the Director of Finance on the financial implications of remuneration or other proposals, and by the Director of Workforce and OD on personnel and remuneration policy.

The Committee reviews national pay awards for staff within the Trust alongside information on remuneration for Executive Directors at other Trusts of a similar size and nature, taking account of overall and individual performance and relativities, with the aim of ensuring that remuneration of Executive Directors is fair and appropriate. Through this process any salary above the threshold of £150,000 used by the Civil Service is considered and approved by the Committee with a view to attracting and retaining individuals to support the Trust in delivering its vision and meeting its objectives.

The Committee also reviews the balance of skills, knowledge and experience on the BoD when considering the appointment of an executive Director or when a vacancy arises for a Non-executive Director rather than annually as set out in paragraph B.2.3 of the NHS Foundation Trust Code of Governance.

The table below sets out the members of the committee during 2022/23 and the number of meetings at which each Director was present.

	10/11/22
Alan Downey	✓
Jenny McAleese	✓
Lynne Mellor	✓
Lorraine Boyd	✓
Steven Holmberg	Ap
Jim Dillon	✓

Matt Morgan	✓
Denise McConnell	Ap

Key officers who attended the meeting to provide assurance to the Committee, included:

- Simon Morritt, Chief Executive
- Polly McMeekin, Director of Workforce and Organisational Development

Governor Nomination Remuneration Committee

The CoG Nomination and Remuneration Committee is responsible for making recommendations to the CoG on the following:

- Appointment and remuneration of the Chair and Non-executive Directors.
- Appraisal of the Chair.
- Approval of appointment of the Chief Executive.
- Succession Planning for posts of Chair and Non-executive Directors.

The CoG approved the recommendation to re-appoint Jenny McAleese and Matt Morgan to further terms as Non-executive Directors and re-appoint Ashley Clay as an Associate Non-executive Director.

Non-executive Directors are appointed on fixed term contracts, normally three years in length, and they do not gain access to the Pension Scheme because of this engagement. No additional fees are payable in the role of Non-executive Director.

The CoG Nomination and Remuneration Committee and its membership comprise the Chair, the Lead Governor and six Governors.

There were two meetings of the committee during this financial period, and the members' attendance is set out below:

	07/06/22	20/02/23
Alan Downey	✓	✓
Helen Fields	✓	-
Mick Lee	✓	-
Gerry Richardson	✓	✓
Catherine Thompson	✓	✓
Sally Light	✓	✓
Alistair Falconer	✓	Ap
Beth Dale	✓	✓
Sue Smith	✓	✓
Rukmal Abeysekera	-	✓

Linda Wild	-	✓
Bernard Chalk	-	-
Julie Southwell	-	-
Mike Taylor	✓	✓

The Associate Director of Corporate Governance services the Committee and provides advice to the Committee.

Remuneration and pension entitlements of senior managers (subject to audit)

a) Remuneration

Name and Title	2022/23					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	205-210	1,200	-	-	50-52.5	260-265
Mr A Bertram Finance Director & Deputy Chief Executive	155-160	3,900	-	-	55-57.5	215-220
Mr J Taylor Medical Director	135-140	-	-	0-5	-	140-145
Mrs W Scott Chief Operating Officer	50-55	1,900	-	-	10-12.5	60-65
Ms P McMeekin Director of Workforce & Organisational Development	135-140	-	-	-	35-37.5	170-175
Mrs H McNair Chief Nurse	145-150	2,500	-	-	-	145-150
Mr J Hawkins Chief Digital and Information Officer	85-90	-	-	-	30-32.5	115-120
Dr K Stone Medical Director	60-65	1,600	-	10-15	42.5-45	120-125
Ms M Liley Interim Chief Operating Officer	115-120	-	-	-	172.5-175	290-295
Non-Voting Directors						
Mrs L Brown Director of Communications	100-105	-	-	-	27.5-30	130-135

Non-executive Directors						
Mr A Downey Chairman	55-60	-	-	-	-	55-60
Mrs J McAleese Non-Executive Director	15-20	-	-	-	-	15-20
Dr L Boyd Non-Executive Director	15-20	-	-	-	-	15-20
Ms L Mellor Non-Executive Director	15-20	-	-	-	-	15-20
Mr S Holmberg Non-Executive Director	15-20	-	-	-	-	15-20
Mr J Dillon Non-Executive Director	15-20	-	-	-	-	15-20
Mr M Morgan Non-Executive Director	5-10	-	-	-	-	5-10
Ms Denise McConnell Non-Executive Director	15-20	-	-	-	-	15-20
Mr A Clay Non-Executive Director	5-10	-	-	-	-	5-10

Taxable benefits listed above relate to those executive directors who are in receipt of a Trust business lease cars.

Directors pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

- Mr J Taylor Retired as Medical Director 30 November 2022.
- Mrs K Stone was appointed Medical Director on 28 November 2022.
- Mr J Hawkins was appointed Chief Digital and Information Officer 29 August 2022.
- Mrs W Scott stepped down as Chief Operating Officer 10 July 2022.
- Ms M Liley was appointed Interim Chief Operating Officer on 1 July 2022.

Those directors salaries above which include elements for clinical roles are:

- Mr J Taylor salary for clinical role £103,378.
  Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.

- Mrs K Stone salary for clinical role £51,069.
  Mrs K Stone also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.

Name and Title	2021/22					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	200-205	1,200	-	-	-	205-210
Mr A Bertram Finance Director & Deputy Chief Executive	150-155	3,300	-	-	20-22.5	175-180
Mr J Taylor Medical Director	195-200	4,700	-	5-10	-	210-215
Mrs W Scott Chief Operating Officer	145-150	1,400	-	-	22.5-25	170-175
Ms P McMeekin Director of Workforce & Organisational Development	135-140	-	-	-	30-32.5	165-170
Mrs H McNair Chief Nurse	145-150	2,100	-	-	2.5-5	150-155
Mr D Roberts Chief Digital and Information Officer	140-145	400			1,525-1,527.5	1,665-1,700
Non-Voting Directors						
Mrs L Brown Director of Communications	100-105	-	-	-	22.5-25	125-130
Non-executive Directors						
Ms S Symington Chairman Apr – Nov	35-40	-	-	-	-	35-40
Mr A Downey Chairman Feb – Mar	5-10	-	-	-	-	5-10
Mrs J McAleese Non-Executive Director	20-25	-	-	-	-	20-25
Dr L Boyd Non-Executive Director	15-20	-	-	-	-	15-20
Ms L Mellor Non-Executive Director	15-20	-	-	-	-	15-20
Mr S Holmberg Non-Executive Director	15-20	-	-	-	-	15-20
Mr J Dillon Non-Executive Director	15-20	-	-	-	-	15-20

Mr M Morgan Non-Executive Director	5-10	-	-	-	-	5-10
Ms Denise McConnell Non-Executive Director	5-10	-	-	-	-	5-10

Taxable benefits listed above relate to those executive directors who are in receipt of a Trust business lease cars.

Directors pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

Those directors salaries above which include elements for clinical roles are:

- Mr J Taylor salary for clinical role £157,121.
  Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.

Mrs S Symington appointment as chair of the board ended on the 30 November 2021.

Mr A Downey appointment as chair of the board started on the 1 February 2022.

Mr D Watson appointment as a non-executive director ended on the 30 May 2021.

Ms D McConnell appointment as a non-executive director started on the 1 November 2021.

b) Pensions

Name and Title	**(a) Real increase in pension at pension age**	**(b) Real increase in pension lump sum at pension age**	**(c) Total accrued pension at pension age at 31 March 2023**	**(d) Total Lump Sum at pension age related to accrued pension at 31 March 2023**	**(e) Cash Equivalent Transfer Value at 1 April 2022**	**(f) Real Increase in Cash Equivalent Transfer Value**	**(g) Cash Equivalent Transfer Value at 31 March 2023**	**(h) Employer's contribution to stakeholder pension**
	Bands of £2500	**Bands of £2500**	**Bands of £5000**	**Bands of £5000**	**£000**	**£000**	**£000**	**£000**
Mr S Morritt Chief Executive	2.5-5.0	4.0-4.25	80-85	180-185	1,575	81	1,716	0
Mr A Bertram Finance Director & Deputy Chief Executive	2.5-5.0	0	65-70	135-140	1,175	56	1,283	0
Mr J Taylor Medical Director	0	0	55-60	175-180	1,132	0	1,167	0
Mrs W Scott Chief Operating Officer	0-2.5	0	55-60	120-125	1,084	11	1,181	0
Ms P McMeekin Director of Workforce & Organisational Development	0-2.5	0	30-35	40-45	377	23	420	0

Mrs H McNair Chief Nurse	0-2.5	0	65-70	205-210	1,612	29	1,698	0
Mrs L Brown Director of Communications	0-2.5	0-2.5	25-30	45-50	359	17	401	0
Mr J Hawkins Chief Digital and Information Officer	0-2.5	0-2.5	35-40	45-50	552	25	632	0
Mrs M Liley Interim Chief Operating Officer	7.5-10	17.5-20	45-50	135-140	800	176	1,078	0
Dr K Stone Medical Director	0-2.5	2.5-5.0	75-80	150-155	1,320	48	1,529	0

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

The following directors chose not to be covered by the pension arrangements during the reporting year:

Mr J Taylor

The following directors opted in and out of the Pension Scheme during the Year:

Mr S Morritt opted in 1 June 2022 Then opted out 30 September 2022
Mr A Bertram opted out 30 November 2022
Ms P McMeekin opted out 30 September 2022
Mrs H McNair opted in 1 November 2022
Ms W Scott opted out 30 November 2022

As Non-executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-executive Directors.

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement, which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing

additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table (below) provides further information on the pension benefits accruing to the individual

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 for the highest-paid director in the organisation in the financial year 2022/23 was £207.5k (2021/22 was £212.50k). This is a change between years of 2%.

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

For employees of the Trust as a whole the range of remuneration in 2022/23 was from £12,044 to £317,401 (2021/22 was £13,987 to £320,117).

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 9% (2021/22 the change was 2%) and is due to the Agenda for Change contract pay award and the one-off consolidated bonus.

Eight employees received remuneration in excess of the highest-paid director in 2022/23 (seven employees in 2021/22).

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.

2022/23	25th Percentile	Median	75th Percentile
Total Pay and benefits excluding pension benefits	£25,153	£33,227	£45,468
Salary component of pay	£23,813	£31,551	£43,243
Pay and Benefits excluding pension: Pay ratio for highest paid director	8:1	6:1	5:1

2021/22	**25th Percentile**	**Median**	**75th Percentile**
Total Pay and benefits excluding pension benefits	£21,766	£28,243	£40,939
Salary component of pay	£21,766	£28,243	£40,939
Pay and Benefits excluding pension: Pay ratio for highest paid director	10:1	8:1	5:1

The salary component of pay for the individuals at the 25th, median and 75th percentile is the same as the Total pay and benefits (excluding pension benefits) and therefore the ratios are the same.

The decrease in the ratio's is due to annual pay award for Agenda for Change Staff. Directors pay is set by the Remuneration committee and are not subject to Agenda for Change terms and conditions.

Simon Morritt
Chief Executive
June 2023

Workforce Profile

The tables below provide a summary of the staff employed by the organisation during 2022/23, broken down by age, ethnicity, gender, and recorded disabilities.

YSTHFT has 8,374 permanent employees and 881 staff holding fixed term contracts.

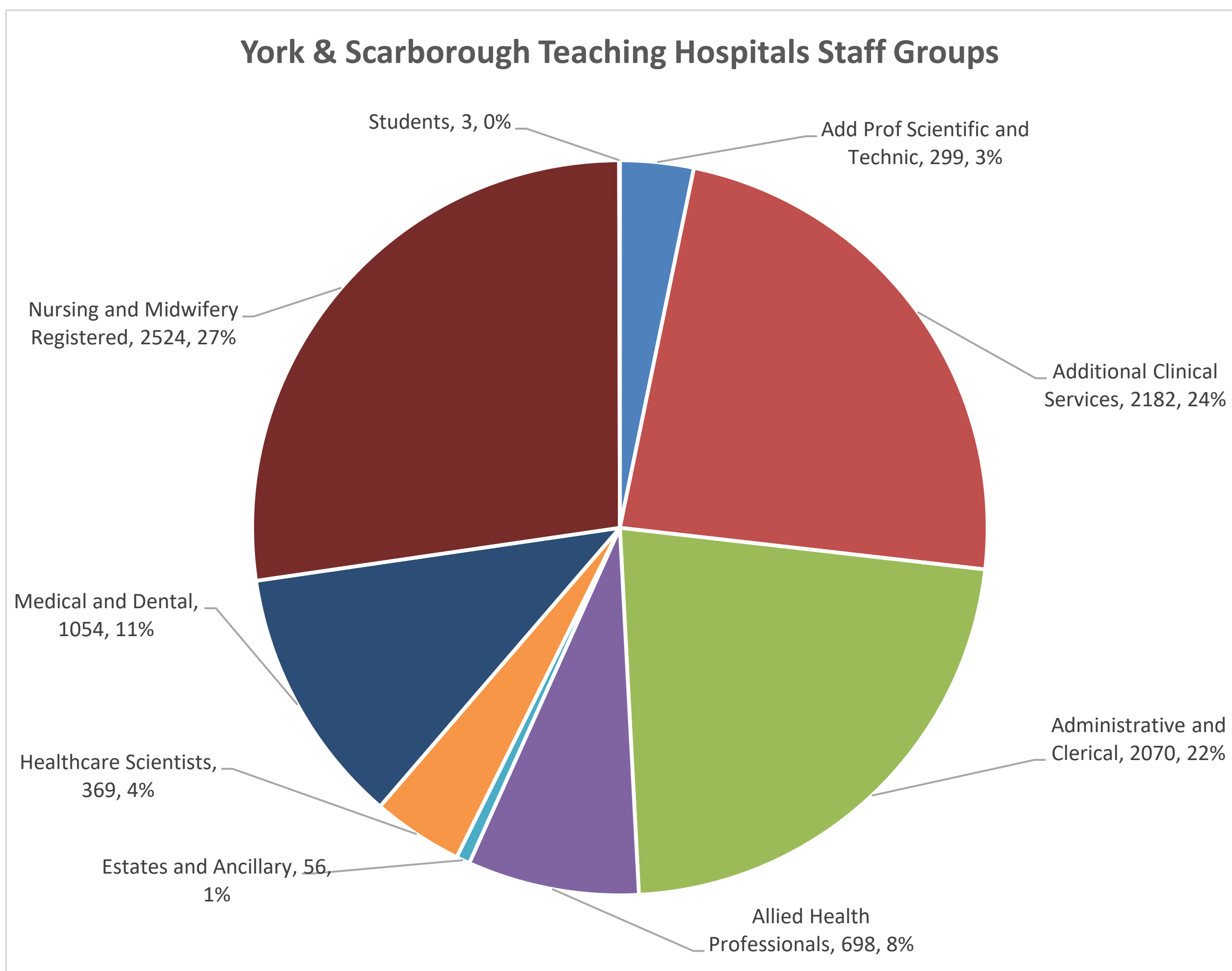
YTHFM has 1,033 permanent employees and 25 staff holding fixed term contracts.

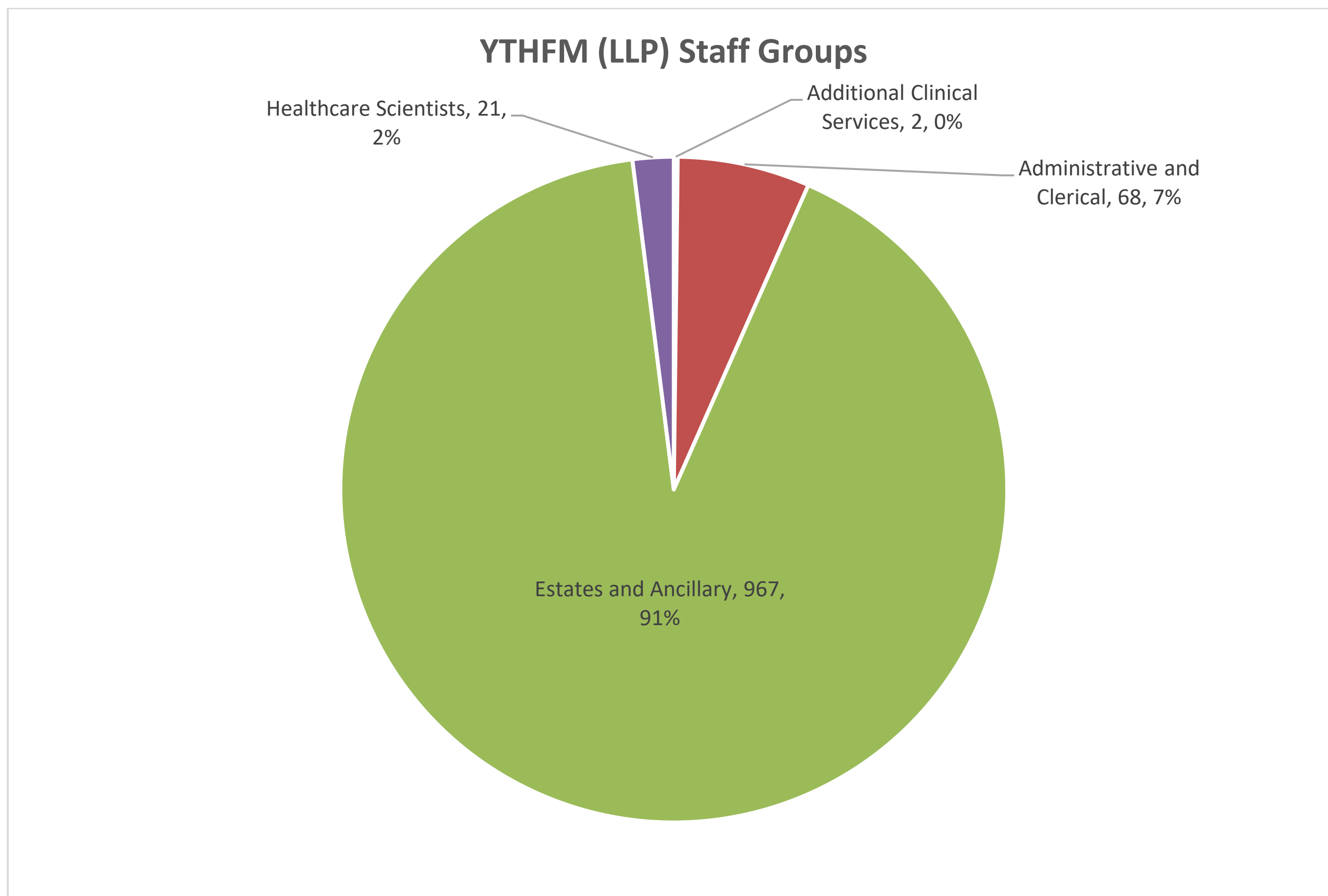
	Staff 2022/23	%	York and Scarborough Teaching Hospitals		YTHFM	
			Staff 2022/23	%	Staff 2022/-23	%
Age						
<=20 Years	80	0.78%	67	0.72%	13	1.23%
21-25	702	6.81%	667	7.21%	35	3.31%
26-30	1239	12.01%	1171	12.65%	68	6.43%
31-35	1453	14.09%	1369	14.79%	84	7.94%
36-40	1257	12.19%	1151	12.44%	106	10.02%
41-45	1203	11.66%	1093	11.81%	110	10.40%
46-50	1158	11.23%	1040	11.24%	118	11.15%
51-55	1251	12.13%	1096	11.84%	155	14.65%
56-60	1132	10.98%	931	10.06%	201	19.00%
61-65	688	6.67%	560	6.05%	128	12.10%
66-70	110	1.07%	77	0.83%	33	3.12%
>=71 Years	40	0.39%	33	0.36%	7	0.66%
Ethnicity						
Any Other Ethnic Group	118	1.14%	111	1.20%	7	0.66%
Asian British	7	0.07%	7	0.08%	0	0%
Asian Mixed	2	0.02%	2	0.02%	0	0%
Asian or Asian British - Any other Asian background	196	1.90%	192	2.07%	4	0.38%

	Staff 2022/23	%	York and Scarborough Teaching Hospitals		YTHFM	
			Staff 2022/23	%	Staff 2022/-23	%
Asian or Asian British - Bangladeshi	16	0.16%	16	0.17%	0	0%
Asian or Asian British - Indian	313	3.04%	307	3.32%	6	0.57%
Asian or Asian British - Pakistani	59	0.57%	59	0.64%	0	0%
Asian Sinhalese	2	0.02%	2	0.02%	0	0%
Asian Sri Lankan	2	0.02%	2	0.01%	0	0%
Asian Tamil	1	0.01%	1	0.02%	0	0%
Asian Unspecified	2	0.02%	2	0.01%	0	0%
Black British	1	0.01%	1	0.01%	0	0%
Black Mixed	1	0.01%	1	0.09%	0	0%
Black Nigerian	8	0.08%	8	3.45%	0	0%
Black or Black British - African	324	3.14%	319	0.19%	5	0.47%
Black or Black British - Any other Black background	18	0.17%	18	0.23%	0	0%
Black or Black British - Caribbean	24	0.23%	21	0.01%	3	0.28%
Black Unspecified	1	0.01%	1	0.42%	0	0%
Chinese	41	0.40%	39	0.51%	2	0.19%
Filipino	48	0.47%	47	0.02%	1	0.09%
Malaysian	3	0.03%	3	0.03%	0	0%
Mixed - Any other mixed background	13	0.13%	12	0.13%	1	0.09%
Mixed - Asian and Chinese	1	0.01%	1	0.01%	0	0%
Mixed - Other/Unspecified	11	0.11%	11	0.12%	0	0%
Mixed - White and Asian	38	0.37%	36	0.39%	2	0.19%

	Staff 2022/23	%	York and Scarborough Teaching Hospitals		YTHFM	
			Staff 2022/23	%	Staff 2022/-23	%
Mixed - White and Black African	44	0.43%	41	0.44%	3	0.28%
Mixed - White and Black Caribbean	15	0.15%	15	0.16%	0	0%
Not Stated	316	3.06%	275	2.97%	41	3.88%
Other Specified	7	0.07%	7	0.08%	0	0%
Unspecified	63	0.61%	57	0.62%	6	0.57%
White - Any other White background	291	2.82%	235	2.54%	56	5.29%
White - British	7519	72.91%	6739	72.81%	780	73.72%
White - Irish	49	0.48%	48	0.52%	1	0.09%
White Cypriot (non-specific)	1	0.01%	1	0.01%	0	0%
White English	412	3.99%	366	3.95%	46	4.35%
White Greek	4	0.04%	4	0.04%	0	0%
White Italian	2	0.02%	2	0.02%	0	0%
White Mixed	3	0.03%	3	0.03%	0	0%
White Northern Irish	9	0.09%	9	0.10%	0	0%
White Other European	66	0.64%	55	0.59%	11	1.04%
White Other Ex-Yugoslav	1	0.01%	1	0.01%	0	0%
White Polish	64	0.62%	26	0.28%	38	3.59%
White Scottish	18	0.17%	17	0.18%	1	0.09%
White Serbian	2	0.02%	2	0.02%	0	0%
White Turkish	2	0.02%	2	0.02%	0	0%
White Unspecified	171	1.66%	127	1.37%	44	4.16%
White Welsh	4	0.04%	4	0.04%	0	0%

	Staff 2022/23	%	York and Scarborough Teaching Hospitals		YTHFM	
			Staff 2022/23	%	Staff 2022/-23	%
Gender						
Female	7876	76.37%	7297	78.84%	579	54.73%
Male	2437	23.63%	1958	21.16%	479	45.27%
Recorded disabilities						
Yes	456	4.42%	416	4.49%	40	3.78%
No	8051	78.07%	7080	76.50%	971	91.78%
Prefer not to answer	4	0.04%	3	0.03%	1	0.09%
Not Declared	326	3.16%	287	3.10%	39	3.69%
Unspecified	1476	14.31%	1469	15.87%	7	0.66%





The most current data for the Trust for the calendar year 2022 can be found at [NHS workforce statistics - NHS Digital]

Gender Profile

The breakdown below includes information about female and male staff at the end of the year. The data is split by Directors, senior managers and the remainder of the workforce.

York and SGH TH	Female		Male		Total
Board Directors	9	0.09%	9	0.09%	18
Managers – Bands 8a, 8b, 8c, 8d, 9, personal salary (non-board members), MandD Consultants and SAS Doctors	515	4.99%	467	4.53%	982
All other staff – Bands 7 and under, and all other MandD	7352	71.29%	1961	19.01%	9313

YTHFM	Female		Male		Total
Board Directors	0	0%	1	0.09%	1
Managers – Bands 8a, 8b, 8c, 8d, 9	4	0.38%	9	0.85%	13
All other staff – Bands 7 and under	575	54.35%	469	44.33%	1044

Staff Costs, Staff Numbers and Exit Packages (subject to audit)

In line with the HM Treasury requirements, some previous accounts disclosures relating to staff costs are now required to be included in the staff report section of the annual report instead.

Staff costs

	Group			
			2022/23	**2021/22**
	Permanent	**Other**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**
Salaries and wages	306,171	74,383	**380,554**	333,340
Social security costs	31,546	7,664	**39,210**	33,894
Apprenticeship levy	1,468	350	**1,818**	1,660
Employer's contributions to NHS pension scheme	47,597	11,564	**59,161**	54,418
Pension cost - other	195	47	**242**	218
Other post employment benefits	-	-	**-**	62
Termination benefits	18	-	**18**	-
Temporary staff	-	20,956	**20,956**	17,592
Total gross staff costs	**386,995**	**114,964**	**501,959**	**441,184**
Of which				
Costs capitalised as part of assets	1,687	410	**2,097**	1,291

Average number of employees (WTE basis)

	Group			
			2022/23	**2021/22**
	Permanent	**Other**	**Total**	**Total**
	Number	**Number**	**Number**	**Number**
Medical and dental	440	779	**1,219**	1,119
Administration and estates	1,731	117	**1,848**	1,734
Healthcare assistants and other support staff	1,829	364	**2,193**	2,102
Nursing, midwifery and health visiting staff	2,162	545	**2,707**	2,700
Scientific, therapeutic and technical staff	1,002	51	**1,053**	998
Healthcare science staff	607	32	**639**	540
Total average numbers	**7,771**	**1,888**	**9,659**	**9,193**
Of which:				
Number of employees (WTE) engaged on capital projects	40	-	**40**	19

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 - £25,000	-	1	**1**
Total number of exit packages by type	**-**	**1**	**1**
Total cost (£)	£0	£18,000	**£18,000**

Reporting of compensation schemes - exit packages 2021/22

	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)			
£50,001 - £100,000	-	1	**1**
Total number of exit packages by type	**-**	**1**	**1**
Total resource cost (£)	£0	£62,000	**£62,000**

Exit packages: other (non-compulsory) departure payments

	2022/23		2021/22	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Exit payments following Employment Tribunals or court orders	1	18	1	62
Total	**1**	**18**	**1**	**62**
Of which: Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

The Trust's consultancy expenditure over the reporting period was £107,084 excluding VAT.

The Trust had no senior-off payroll engagements over the reporting period.

Sickness Absence Rates

The Department of Health and Social Care Group Accounting Manual requires the sickness absence data for NHS bodies to be reported in the annual report on a calendar year basis.

Table 5A Staff sickness absence			A09CY16	A09PY16	Maincode
		Expected sign	**2022/23**	**2021/22**	
			No.	**No.**	Subcode
Total days lost	*i*	+	110,992	96,853	STA0530
Total staff years	*i*	+	8,371	7,945	STA0540
Average working days lost (per WTE)		+	**13**	**12**	STA0550

The most current data for the Trust for the calendar year 2022 can be found at NHS Sickness Absence Rates - NHS Digital.

Being attractive to new staff

The Trust has introduced a workstream in 2022 to focus on Workforce Planning, Attraction and Retention. The work is supported by a steering group and a number of subgroups with specific areas of focus, one being around how the organisation modernises its approach to attract staff, looking specifically at what our 'offer' is, and how we market that. In addition, NHSE are supporting the Trust to review our approach to recruitment and have facilitated a workshop in February 2023 with our recruitment teams and recruiting managers from across the organisation. Opportunities identified from the session will be explored through the existing workstream and included in action plans.

The Trust launched its new Careers Microsite in September 2022. This provides candidates with details the current vacancies at the Trust, along with the different types of the roles that we have in the organisation, along with videos and statements from staff showcasing their experiences. The site contains a wealth of information about the benefits of working at YSTHFT, along with information about the living in the local areas.

We have reintroduced face to face recruitment events this year, hosting a number of large-scale events at the Community Stadium which have been well attended and successful in generating a large number of job offers. The Trust worked in partnership with local authorities to hold two Health Care Support Worker (HCSW) and Patient Services Operative (PSO) recruitment events towards the end of last year. Work is on-going to develop new content to attract candidates to our future events and explore the approach and frequency of these.

The Trust has had a very successful year with international recruitment, despite a number of unforeseen challenges related to our accommodation and training facilities for international recruits. The organisation has successfully on-boarded 134 internationally qualified nurses to meet our funded NHSE target for 2022/23, and is on track to meet our targets to recruit 6 internationally qualified midwives and 18 Allied Health Professionals (AHP) working as Radiographers and Occupational Therapists. In addition, the Trust has also worked as part of an ICS collaborative, with organisations in our region, to travel to Kerala, India, in November 2022, to participate in a large-scale recruitment event. This has resulted in a high number of multi-professional job offers across our region, including 96 nurses and 10 AHP's for our organisation. The Trust is set to be the first organisation to on-board candidates from the event, with our first cohort of nurses due to arrive in April 2023.

Workforce fit for the future

Apprenticeships

Apprenticeships continue to be an important tool to support our ambition to develop a workforce fit for the future. During 2022/23, the Trust has worked closely with educational partners to facilitate apprenticeship programmes with flexible entry points and recognition of prior learning to support accessibility for staff and efficient use of programmes within the Trust.

The Trust is working with 32 different providers in the delivery of 39 different programmes. Programmes range from Level 2 (GCSE equivalent) to Level 7 (Master's Degree) and incorporate a diverse group of clinical and non-clinical subjects.

Over the last 12-months, the Trust supported 81 staff members to join apprenticeship programmes, taking the number on apprenticeships to 239 at the end of the year. During the same period, 94 staff completed apprenticeship programmes, including 16 who graduated from their top-up programme as registered nurses.

The Trust plans to offer 205 places on nursing apprenticeships over the course of the next three-years. There are also plans to expand the number of staff on specialist apprenticeship programmes, including: Advanced Clinical Practitioner; Occupational Therapist; Operating Department Practitioner; Diagnostic Radiographer and Health Care Sciences during the same period.

Medical Education

Undergraduate Medical Education

The Hull York Medical School (HYMS) teams at Scarborough and York Hospitals and external partners have had a challenging year in coordinating the training recovery of the Covid-19 pandemic.
Teaching has resumed face to face as a baseline and all clinical placement activity is back to pre-pandemic levels enabling the maximum opportunities for students to achieve their required learning outcomes and practical clinical skills assessments.

At the start of the 2022 Academic year HYMS will be entering the 4th year, out of the five, expansion of Medical students. Over the last 12 months, in preparation for entering these final years of expansion, there has been significant progress working partnership with all clinical areas to increase clinical placements and supervision arrangements.

To support the increase in resource required to deliver clinical teaching the team have been successful in securing funding for additional Teaching Fellows to compliment the current Teaching Fellow resource. The expanded clinical placements have been mirrored by an increase in resource to the Trust from Health Education England to deliver the additional teaching and support.

A dedicated lead for pastoral support has been recruited in recognition of early intervention for students requiring support. A new system of close liaison with student support and hospital sites has been introduced and is working well to proactively manage concerns early. Students are provided 'health passports' by the student support teams and they can choose to share this as needed, which has been effective.

As of the August 2022 Academic year all students are now in HYMS branded scrub uniform. This has been universally welcomed across the Trust providing visibility and an identity for the students resulting in them feeling more integrated in the clinical setting.

Through clinical service re-configurations at the York and Scarborough sites, students move between placements at York and Scarborough. To support this transition for the students the HYMS administration functions based in York and Scarborough sites have recently undergone a successful restructure to one cross-site function, along with cross site senior support, to provide equitable training opportunities, standards, and quality assurance.

Postgraduate Medical and Dental Education

As we enter the final years of the Undergraduate expansion, the Postgraduate training expansion begins. Over the next three years the Trust will go through an expansion to the Foundation Year 1 and 2 grade doctors, resulting in expansion into the Core and Registrar grades over subsequent years.

Whilst these additional training posts are funded by Health Education England, challenges still arise internally to increase the number of training opportunities in the clinical setting, space to train and educate expanded numbers and the number of GMC accredited supervisors required to support these placements.

In recognition of the growing need for Alternative Medical roles in the NHS, a new role of 'Professional Lead for Advanced Care Practitioners and Physician Associates' along with a deputy role, are being introduced. This role will work with internal and external stakeholders to grow, develop and retain this expanding workforce.

As education moves away from the virtual environment and back to face to face the Junior Doctor Corporate Induction programme has been re-vamped, looking at what value the induction process can add when a doctor joins the organisation. The Medical Education team developed an 'Induction fayre' inviting key teams from across the Trust to have a stall at the fayre. This enabled new starters to meet key contacts during their induction but also have the opportunity to network and meet new colleagues face to face. The initial feedback has been extremely positive with individuals valuing the face-to-face social aspect which was brought to the day.

In the longer-term with the expansion in Undergraduate, Postgraduate and Alternative Medical roles, the potential for a new 'education' building for the Trust is required to facilitate larger cohorts but also to develop, recruit and retain the future Medical and Dental workforce.

Workforce Development Funding

Workforce Development Funding was received from various external sources and has been fully utilised this year.

During the year, almost £1m of Continuous Professional Development (CPD) funding was received from Health Education England as part of a three-year national deal to support Registered Nurses, Midwives, Allied Health Professionals, and Nursing Associates in their development. The uptake of funding by staff has improved this year, with conferences and short courses being more readily available and the return to face-to-face delivery post-pandemic. In addition to courses and conferences, the funding has supported the Trust to further develop the Preceptorship Programme into a multi-professional model, and it has funded delivery of an Infection Prevention and Control Conference at York Racecourse. The funding has indirectly supported the development of quality discharge pathways and the delivery of the fundamentals of care to improve patient care and experience.

Support Staff Learning and Development Funding (SSLDF) has been received from Humber and North Yorkshire ICB (c£50k) which has supported the development of online content for the Trust. It has also been used to provide courses in advanced communication skills for Estates and Facilities staff, a wide range of equality, diversity and inclusion awareness courses, and a digital marketing upskilling session for the Workforce Development Teams. Additionally, it has been used to provide supporting materials for the HCA Appreciation Day and careers events, and marketing materials for the Schools and Work Experience Team.

The Trust successfully responded to several funding offers from HEE, regional networks and specialist projects at short notice. Community Rehabilitation Funding was used to upskill Allied Health Professional, Paediatric and Musculo Skeletal professionals in the community. Cancer Nurse Specialists, Healthcare Scientists (Audiology, Neurophysiology, Cardiorespiratory), and Optometrists also utilised development funding. Further funding was obtained to support with the training of 13 Advanced Clinical Practitioners and two Anaesthesia Associates over the next three-years.

The Trust has submitted a Learning Needs Analysis which encompasses the external learning needs of the organisation for 2023/24. It is hoped that this new process will help inform the strategic allocation of the region's workforce transformation budget which supports staff development. This will enable us to move away from the current reactive process of being allocated

funds which need to be bid for, allocated and spent at very short notice, towards a more planned approach for utilising workforce development funding.

Looking after our Current Workforce and protecting their Health and Wellbeing

In July 2020 the NHS People Plan was published. This national document acknowledged the new and unprecedented pressures that NHS staff faced as a result of Covid-19. It also sets out the focus and expectations of how the NHS should look after its employees, with more people, working differently, in a compassionate and inclusive culture. This marks the cornerstone and vision for improvements for 2020/21 and beyond.

In response the Trust developed a Trust wide Workforce People Plan Action Plan, launched in September 2020, reflecting the priorities set out nationally and aligned to the impact of the Covid-19 pandemic on NHS staff. One of the key priority themes was Health and Wellbeing.

Health and wellbeing outcomes are grouped under headings which align to the best practice NHS Employers Health and Wellbeing Framework and Diagnostic Tool. The table below details actions and initiatives under these headings, which commenced and were delivered during 2021 and 2022. The table also demonstrates planned work for the 2022/23 year and beyond.

	Existing delivery	**2022/23 activity**
Personal Health and Wellbeing	• Health and wellbeing workshops continued during 2021/22, with virtual sessions covering healthy eating, being active, weight management, menopause and staying well during COVID-19. • 93 virtual health checks offered across the Trust as part of a pilot running from September 2021 to April 2022. • Two 12 week 'Step into Health' distance learning courses delivered through out 2021/22, with 31 participants. • Bridlington hospital wellbeing space has continued to provide gym facilities to staff (where government directives have allowed use). • Developed communications including a poster with QR code to enable all staff to access supports and contacts on all aspects of wellbeing on their own devices rather than via StaffRoom.	• Working with Smoking Cessation Project Manager on support for staff to stop smoking. • Exploring roll out of Wellbeing Passport as an app. • Continuing to deliver 'Step into Health' courses, with three courses per year planned. Next courses are scheduled for April and October. This will be advertised soon. • The 2023 programme of roadshows in line with national awareness days will be delivered Trust wide. These will include healthy blood pressure/BMI in January, time to talk in February, nutrition and hydration awareness in March. Other themes include keeping active in April, mental health awareness in May, Menopause and women's health in October and men's health in November. • The Health and wellbeing team have forged close working relationships with the communications team to ensure that all Health and wellbeing initiatives are communicated effectively to our staff. We are also working closely with are other system partners to deliver our

		Health and wellbeing agenda and initiatives.
Relationships	• Freedom to Speak Up (FTSU) Guardian and Fairness Champions are in post. • Values and behaviours training roll out has begun. • Staff Networks established for LGBTQ+, Carers, Disabled staff and BAME staff.	• Occupational health and the well being team have produced neurodiversity guidelines and support for managers in response to an increase of neurodiversity referrals. • The Health and wellbeing team have worked closely with the FTSU Guardian at various health fairs and events across all sites. • The OH and Health and wellbeing team have participated in "New Starter" fairs across the Trust. This has aided in supporting, networking and promoting the Health and wellbeing offer with our staff. • The role of Health and wellbeing champions will be implemented across the Trust to actively support our staff. • The team are working alongside the Equality and Diversity Inclusion lead to consider supportive initiatives to address disabilities in the workplace.
	• Agile and Flexible Working Project ran from Q1 to Q3 2021/22. • Agile working actively encouraged in many areas of the organisation in terms of both location and working time. • Appraisal framework supports talent management conversation.	• Actively working to increase the number of Menopause Champions. • Declaration of interest with HNY for the next Menopause Champion training.
Environment	• Calm spaces. A location is currently being sought on the York Hospital site for a dedicated calm space. Spaces are available in all other sites. • Charities bid is being made to refurbish and brand all dedicated calm spaces. • Agile and Flexible Project ran Q1 to Q3 2021/22. Resources to support agile working and working from home developed by ODIL and sub teams.	• Cross Trust multi-disciplinary working /project group to progress staff safety around violence experienced at work and perceptions of safety and support will run through 2022/23 and report into Health and Wellbeing Steering Group. This work is ongoing. • A permanent space has been located on the York Hospital site for a dedicated health and wellbeing space. The "NHS Charities Together" bid has been submitted to refurbish this space alongside improving the health and wellbeing spaces in Bridlington and Scarborough. The result of the charities

		bid will be in June 2023. These spaces will be multipurpose, offering a calm space for staff as well as a space for offering bookable sessions for staff health and wellbeing and psychological support.
Management and Leadership	• Wellbeing Guardian (NED Matt Morgan) continued to support Trusts health and wellbeing agenda. • Wellbeing Champion (Director of Workforce and OD continued to support health and wellbeing agenda at Board level). • 100 Values Ambassadors identified and trained by ODIL from Q4 2021/22. Some of these will have also delivered awareness sessions in their teams. • New Head of Occupational Health and Wellbeing appointed summer 2021. • Wellbeing Conversations launched May 2021 across the Trust with supporting guidance and videos on Staffroom, and a check on Wellbeing embedded in annual appraisal (A4C) for 2021 window. • Sickness management training rolled out to majority of Trust managers. • Dedicated Vaccination Hubs established from January 2021 to vaccinate Trust staff (and partner organisations) with Covid-19 vaccines and, from October 2021, with seasonal flu vaccines. Vaccination figures for our staff (and partner organisation staff): • - 10,891 first dose; - 10,689 second dose; - 9,070 Covid-19 booster - 7,350 annual Flu • The Trust embarked on work with HCandV to achieve Menopause Accreditation, and currently has two Menopause Champions and two members of the HR team are also working to ensure Trust HR policies are menopause friendly.	• Roll out of Values and Behaviours training planned through 2021/22 and beyond. • Review of current Employee Relations policies scheduled for refresh by autumn 2022 (including review of the existing 3 policies Grievance, Disciplinary and Bullying to refocus approach and align to Just Culture principles. • Achievement of Menopause Accreditation in 2022. Continued and ongoing work with promoting the offer for our staff regarding the menopause, supporting managers and highlighting the effect of menopause for women in the workplace. • Reviewing and considering a women's Health guidance document that covers period dignity and menopause • Collaboration with HNY-launch of period dignity products being available to all staff, at all Trust sites. • Launch of Leadership and Management journey from April 2022 and beyond. • Occupational health led on the 2022 seasonal flu and Covid-19 booster campaign through a drop-in clinic hub model. This was supported by bank clinical staff from the wider Trust. The uptake was lower than last year but reflected the regional and national picture. The Trust achieved the second highest uptake rates regionally and were above the national level. The Trust uptake for the Covid-19 booster was 60.6%, which was above both the regional uptake (54.7%) and the National uptake (50.2%). The Trust uptake for the influenza vaccination

		was 53.6%, slightly lower than the regional uptake (56.3%) but higher than the National uptake (51.1%).
Data Insights	• Sickness absence Trust average Dec 2020 to Dec 2021: 5.43%. • Mental Health Trust average Dec 2020 to Dec 2021: 1.51%. • MSK absence Trust average Dec 2020 to Dec 2021: 0.86%. • TiPi delivered to 398 staff between March 2021 and February 2022. • RAFT delivered to 44 staff between March 2021 and February 2022. • Full time RAFT Lead in post from 1 November 2021. • Average of 46 calls per month to Spectrum Life EAP. • 227 staff have signed up to the Spectrum Life EAP app. Other staff may also have engaged, without creating an account.	
Professional Wellbeing Support	• The Trust now has 112 trained Mental Health First Aiders across all Trust sites. • The Staff Wellbeing Psychology team ran regular bookable 1:1 sessions which were attended by 206 staff across York, Bridlington and Scarborough sites. • 1 online Schwartz (Team Time) session delivered. • Delivered wellbeing sessions as part of mandatory training to various teams including 16 for Maternity, 5 for ED, 6 for ICU, 3 for Nursing associates and 1 for HYMS students. • Delivered 3 x online mental health training sessions for managers. • Delivered 8 webinars on a variety of topics including emotional wellbeing, sleep, long covid and burnout. • Delivered 1 x Time Team for a team of AHPs. • 5 time to think sessions delivered to various teams.	• The Trust now has 117 trained Mental Health First Aiders across all Trust sites. • The Staff Wellbeing Psychology team ran regular bookable 1:1 sessions which were attended by 206 staff across York, Bridlington and Scarborough sites. These confidential sessions are for advice and signposting. • 1 online Schwartz (Team Time) session delivered. • Delivered wellbeing sessions as part of mandatory training to various teams including 16 for Maternity, 5 for ED, 5 for ICU, 3 for Nursing associates and 1 for HYMS students. • Delivered 4 x online mental health training sessions for managers. • Delivered 11 webinars on a variety of topics across the Trust including emotional wellbeing part 1 (3), emotional wellbeing part 2 (1), sleep (1), long covid (1), burnout (4) and a Trust wide Mental Wellbeing Webinar for Stress Awareness month.

	• Delivered several wellbeing support sessions to various teams across the Trust. • Attended York and SGH welcome events to promote support available to new staff, this will be ongoing. • Contributed to the development of materials for the autism section on the staff intranet. • Developed support documents on a variety of topics including bereavement, dementia, sleep difficulties, stress at work and mental health crisis.	• Delivered 1 x Time Team for a team of AHPs. • 5 “Time to Think” reflective team sessions delivered across the Trust • Delivered several wellbeing support sessions to various teams across the Trust in response to stressful incidents within teams/services. • Attended York and SGH welcome events to promote support available to new staff, this will be ongoing. • Contributed to the development of materials for the autism section on the staff intranet. • Developed support documents on a variety of topics including bereavement, dementia, sleep difficulties, stress at work and mental health crisis. • Supported the TiPi and RAFT critical incident response service. • Obtained funding for the team workplace intervention “ACT * in the Workplace” a validated team intervention to support staff emotional wellbeing. *Acceptance and Commitment Therapy. • To develop and deliver Act training • To develop resources to ensure a co-ordinated response to critical incidents. To develop a co-ordinated approach to bereavement. • To create a multipurpose wellbeing space at each hospital site.

Supporting Staff Development:

Our Leadership Framework

The Trust has recently developed ‘Our Leadership Framework’. The ambition of our Leadership Framework is to support every leader, at whatever level across the Organisation, to recognise, reflect and role model three core principles of people centred leadership, which align to our Trust Values: Compassionate (kindness), Collaborative (openness) and Professional (excellence). A reflective tool supports and complements the framework and can be used by individuals to explore their behaviours and competency against the principles of the framework and allow others to give feedback on this.

It recognises that good leadership plays a vital role in improving services, building an inclusive and respectful culture where diversity and difference is valued and celebrated and one where staff are

engaged and motivated. It will contribute to support both the attraction and retention of staff and ultimately a more positive patient experience and improved quality of care.

The framework recognises that not everyone in the organisation is necessarily in a formal leadership role, however all the workforce contributes to the leadership process by committing to the collective, compassionate, and inclusive behaviours described in our Trust Values and Behavioural Framework.

Access to personal development

The Trust offers access to a variety of internal and external personal and team development workshops and programmes in leadership and management, communication, coaching and mentoring and improvement learning which are aligned and mapped to the principles of Our Leadership Framework and the elements which sit within them. The framework and our development offers fit within a structure of developing self, developing people, developing the Organisation and developing services.

The Trust also supports and promotes access to apprenticeships.

Development opportunities are offered to all individuals regardless of background or level and to clinical and non-clinical staff. Any programme or workshop ring-fenced for a specific staff group has a clearly defined purpose and by engaging with the Trust's internal staff networks and Equality, Diversity and Inclusion Lead, our programmes support equal access for all.

We offer a blended learning approach of live on-line and face to face events, bitesize workshops with supporting materials, access to online resources and actively encourage the practical application of learning in the workplace. This hybrid approach supports accessibility to workshops and development for all staff across the organisation, without the need for travel and lengthy study leave.

The Trust offers a modular and individually targeted approach to leadership and management development which allows delegates to access learning and development appropriate to their role, circumstance, and previous learning. Many of the programmes now have co-created content, with input from the delegates on issues of particular interest or focus.
Places on all workshops and programmes are offered to our wider partners from local hospices in York and Scarborough and across the ICS.

The Organisation supports and promotes access to coaching and mentoring for all staff, whatever their role or background, targeting personal and team development, building resilience, and contributing to supporting staff wellbeing.

Development of its workforce has always been paramount for our Trust; the support and development of people maximises talent within the organisation, attracts and retains the best people and creates opportunities for career progression. This is key to success in achieving our strategic goal of delivering safe and high-quality patient care as part of an integrated system.

Reverse Mentoring

Following the evaluation of a successful pilot Reverse Mentoring programme which focused on pairing staff from a BAME background with Executive and senior managers, a Reciprocal Mentoring Framework has been refined and developed in response to feedback from those who participated in the initial programme.

The Reciprocal Mentoring Framework can be implemented for any equality group, and it is our intention to widen this participation. It is proposed that the Trust initially builds upon the success of

the pilot programme and continues to focus on race with its next cohort to provide this significant learning opportunity for all our Executives and senior management team. Recruitment for the next cohort will commence in January 2023.

By creating opportunities for staff from minority groups to share their experiences we are demonstrating our willingness to listen and learn in line with our values and to shape a culture where every member of staff can thrive, belong, develop and perform.

Culture and Engagement (Values and Behaviours)

We continue to support the embedding of the Trust Values of kindness, openness and excellence across the Organisation with a network of Values Ambassadors being developed to help shape action in relation to cultural transformation and empower this social movement. The values are the powerful principles which guide everything we do at the Trust and are underpinned by a behavioural framework which provides clarity and direction about how everyone who works in our Trust should act. We continue to engage and collaborate across care groups, facilities management, corporate areas and nursing to promote, support and develop the idea that all staff are Values Ambassadors, recognising that it will take a number of years for these values and behaviours to be embedded.

Staff Survey 2022

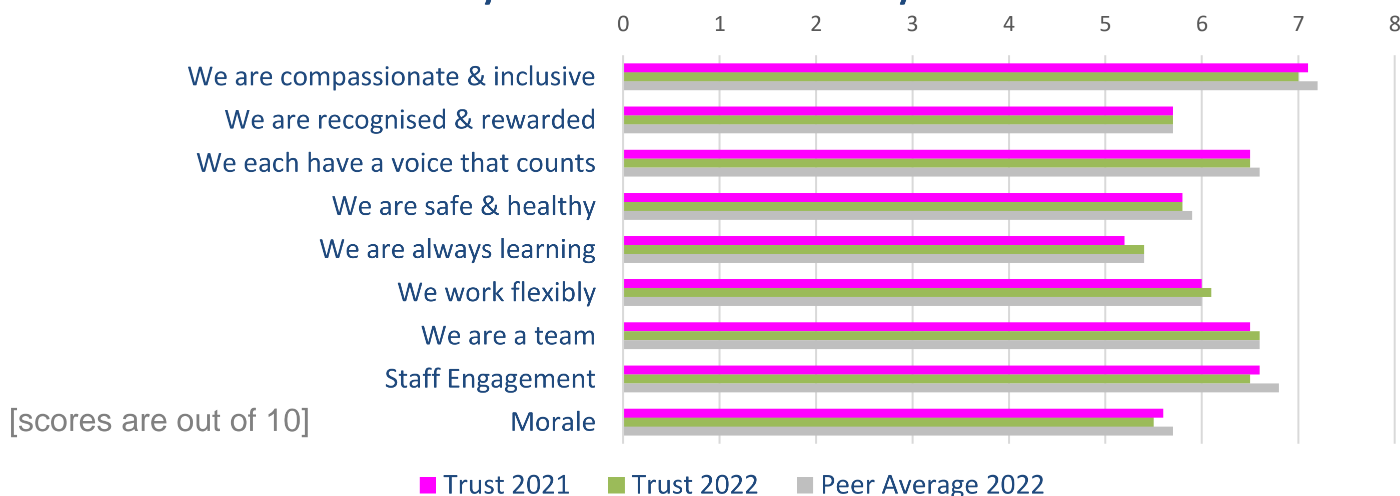
The 2022 national NHS Staff Survey was open between 3 October and 25 November. It measured how engaged staff are and provides insight into how staff experiences and ultimately retention can be improved. Evidence shows that more engaged staff result in better patient experiences and outcomes.

The Trust was benchmarked against a peer group of 124 Acute and Acute and Community Trusts. For the second year running the results have been categorised into nine themes, seven are the elements of the NHS People Promise and these sit alongside the longstanding themes of ‘Staff Engagement’ and ‘Morale’.

3635 colleagues completed the survey. Our response rate improved in 2022 but remained under the peer group average:

	2021	2022
Trust (excl. YTHFM)	40%	43%
National peer average	46%	44%

The table below shows the 2022 results for our Trust broken down by the nine elements / themes and shows how they compared against our 2021 results and also our 2022 benchmark group.



[scores are out of 10]

Comparing the Trust’s results between 2021 and 2022:

We improved in:
- ‘We are always learning’
- ‘We work flexibly’
- ‘We are a team’

We remained unchanged in:
- ‘We are recognised and rewarded’
- ‘We each have a voice that counts’
- ‘We are safe and healthy’

We deteriorated in:
- ‘We are compassionate and inclusive’
- ‘Staff Engagement’
- ‘Morale’

‘We are always learning’ is the only theme to have varied by more than 0.1 (it has improved by 0.2).

Comparing the Trust’s results to the peer average of Acute / Acute and Community Trusts:

We are above average for:
- ‘We work flexibly’

We are average for:
- ‘We are recognised and rewarded’
- We are always learning’
- ‘We are a team’

We are below average for:
- ‘We are compassionate and inclusive’
- ‘We each have a voice that counts’
- ‘We are safe and healthy’
- ‘Staff Engagement’
- ‘Morale’

Most themes varied by either 0.1 or 0.2, the exception being ‘Staff Engagement’ which varied by 0.3 (worse than our peers).

Key workstreams commenced in 2022 to address the Trust’s revised People Priorities for 2022/23. The workstreams are Culture and Engagement (including Leadership); Retention, Attraction and Workforce Planning; Health and Wellbeing; and Flexible Working. An Equality, Diversity and Inclusivity workstream is currently being formed following the appointment of the Trust’s first Head of EDI.

Work has already been delivered since April 2022, but it is acknowledged that it takes considerable time to change the culture of an organisation. No new People Priorities have been identified thus far from these results; the results reinforce that the current priorities are still the most relevant in terms of improving staff experience, increasing staff retention, and therefore improving the care that is delivered to our patients.

Work has also continued to try and ‘fix the basics’ for staff members, this needs to be completed and continuous feedback sought from staff members to continue to make improvements.

Equality, Diversity and Inclusion (EDI)

The Trust aims to create a diverse and inclusive workforce that attracts and engages people from all backgrounds. We will celebrate the diversity of our people and promote a culture of inclusion. We also aim to ensure that our patients, people who use our services and visitors have their individual needs taken into consideration through patient centred care. We are continuously working towards providing sensitive and accessible services that support positive health outcomes.

We have a responsibility to meet the requirements of the Equality Act 2010 but are also working towards moving beyond compliance in creating a sustainable environment where everyone feels valued and is treated with fairness and respect. Focusing on inclusion should naturally create diversity.

The Trust meets the following mandatory and statutory requirements, and the associated reports can be found on our website:

- Public Sector Equality Duty
- NHS Equality Delivery System (EDS 2022)
- Workforce Disability Equality Standard
- Workforce Race Equality Standard
- Gender Pay Gap
- Accessible Information Standard

The Trust recruited a Head of EDI in 2022 and has a Patient EDI Lead, which has enabled the Trust to have a more strategic and operational focus of the agenda.

The Trust has an Inclusion Forum which has strategic oversight of the EDI agenda to ensure the Trust’s strategic approach is meeting its duties. We are also in the processes or establishing an operation EDI Workstream. The Trust will create an EDI Strategy working with the ICS and other stakeholders, once NHSE has produced their EDI Action Plan.

Over the last 12 months the Trust has focused and incorporated its EDI work around:

- EDI Governance
- Communication and Engagement
- Recruitment and Selection
- Disability Confident and Mindful Employer
- Staff Survey
- Freedom to Speak Up and the Fairness Champions
- Employee Relations Practices
- Organisational Development and Improvement and Learning
- Training
- Chaplaincy
- Staff Networks
- Staff Benefits
- Celebration of Cultures
- Gender Pay Gap (GPG), WRES and WDES

- Workforce Equality Monitoring Information
- Supporting colleagues and teams

Trade Union Facility Time Disclosures

The Trust fulfils its obligations under the Trade Union (Facility Time Publication Requirements) Regulations. The information reported for financial year 2022/23 is as follows:

- Number of Trade Union representatives: 11.
- The percentage of time spent on facility time:
    - 1 to 50% of working hours: 10 representatives
    - 51 to 99% of working hours: 1 representative
- The amount spent on facility time: £65,917.35.
- Percentage of pay spent on facility time: 0.02%.
- The percentage of paid facility time spent on paid trade union activities: 19.46%.

Temporary Staffing

Temporary staffing remains a challenging area for the Trust due to on-going workforce issues and increasing demand. Requests for bank and agency have increased significantly from the previous year, with nursing requests regularly exceeding 3,000 shifts requests per week and medical shift requests averaging over 2,800 per month. Meeting this level of demand is difficult, with the Trust regularly having to escalate rates, offer incentives and 'break glass' by engaging with high cost and off framework agencies.

This winter, the Trust has introduced new incentives available to both substantive and bank staff. These have proven popular with staff, with the Allocation on Arrival shifts, offered to bank staff at double time, providing great support to address staffing issues on a daily basis. The Trust is working with NHSE to develop a case study of this work and its outcomes.

The Trust continues to collaborate with other organisations in the region, in an effort to address temporary staffing issues, with a focus on the challenge of escalating agency rates and limitations in supply across the market. In addition, the Trust is being supported by NHSE to reduce our reliance on agency by exploring improvements in a number of areas. This includes the Trust approach to recruitment, to reduce our vacancy position and the need for agency cover, our use of eRostering, to ensure the best utilisation of our workforce, and the governance around our use of temporary staffing, to ensure best practice is followed. The Trust is developing a number of action plans to support this work.

Positively, the Trust continues to manage 100% of our Allied Health Professional (AHP) agency bookings via a direct engagement model, delivering over £120k of savings for the organisation in the last year. The Trust transitioned to a new provider for our Medical Master Vendor and Direct Engagement contract in April 2023, negotiating reduced rates for supply and a focus on increasing the uptake of shifts through direct engagement. The reduction in rates has delivered over £64k of savings in the first six months of the contract, with direct engagement saving just under £500k in the same period.

NHS Foundation Trust Code of Governance Disclosures

York and Scarborough Teaching Hospitals NHS Foundation Trust has applied the principles of the NHS Foundation Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

Directors

The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board and at the end of March 2023 consisted of a Non-executive Chair, seven Non-executive Directors and seven Executive Directors. Full details of members of the Board and changes to the membership of the Board during 2022/23 can be found on page 56. The Board meets a minimum of 10 times a year so that it can regularly discharge its duties.

The Board provides active leadership within a framework of prudent and effective controls and ensures it is compliant with the terms of its licence. In February 2018, the Trust underwent a Licence Review by NHSE which focused on the Trust's business model and sustainability. All enforcement notices have been lifted. Further reference is made to this in the Annual Governance Statement on page 139.

The Non-executive Directors hold Executive Directors accountable through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Board Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support decisions being made about the level of remuneration for the Executive Directors. More details about the Board Remuneration Committee can be found in the Board remuneration section.

The Board reviews the strategic aims and takes responsibility for the quality and safety of healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The BoD is committed to applying the principles and standards of clinical governance set out by NHSE, the Department of Health and the CQC. As part of the planning exercise, the BoD reviews its membership and undertakes succession planning.

The BoD has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders as part of the work around the Five Year Strategy.

The appointment process for the Chair and Non-executive Directors is detailed on page 113 and forms part of the information included in the Standing Orders written for the CoG. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the CoG. The Chair undertakes an appraisal of the Chief Executive and the Chief Executive undertakes the appraisal of the Executive Directors. Details of the approach to appraisals can be found on page 115 of this report.

Members of the BoD regularly attend the CoG and discuss issues with the Governors. The Non-executive Directors attend the private section of the CoG and are involved in committees and groups where the Governors are members or attend the meetings. A Board to CoG is held a minimum of once a year and the agenda for this meeting is determined by the CoG.

The Chair

A clear statement outlining the division of responsibility between the Chair and the Chief Executive has been approved by the BoD.

Governors

The Trust has a CoG that is responsible for representing the interests of the members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. Governors and their constituencies are identified on page 120. The CoG holds the BoD to account for the performance of the Trust, including ensuring the BoD acts within the terms of the Licence. Governors' feedback information about the Trust to Members and the local community through a monthly newsletter, information placed on the Trust's website and public Council of Governor meetings.

The CoG consists of elected and appointed Governors. More than half of the Governors are Public Governors elected by members of the Trust. Elections take place once a year. The next elections will be held during summer 2023.

The CoG has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The CoG appointed a new Chair during 2021/22 who took up office from 1 February 2022. The Chair subsequently resigned in May 2023 and an Interim Chair appointed until a permanent Chair is appointed by the Council of Govenors.

Information, development and evaluation

The information received by the BoD and CoG is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

Development is provided throughout the year for Governors and Non-executive Directors in several formats.

The CoG has agreed the process for the evaluation of the Chair and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair and Non-executive Directors provide the Chief Executive with their view of the Executive Directors' performance in the Board meeting.

Performance evaluation of the Board and its committees

NHSE conducted a well-led review in October/November 2022 which overlapped with that conducted by the CQC on 22-24 November 2022. The NHSE review included interviews with key staff and observation of the Board and Committees.

The final report of CQC's well-led review are awaited currently. A series of actions to address anticipated CQC well-led findings however is underway with progress reported to the BoD.

The Board's Sub-committees produce an annual report each year which is presented to the Board. The report sets out the work of the committees and their performance against their respective Terms of Reference.

Appointment of Members of the BoD

The CoG is responsible for the appointment and/or removal of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration Committee which takes responsibility for leading the process of appointment/removal on behalf of the CoG. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The CoG is required to approve the appointment of the Chief Executive.

The Process for the Appointment of the Chair

During 2021 the CoG and the Governors' Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. It was agreed that an outside recruitment agency should manage the process, led by the Lead Governor, and supported by the Associate Director of Corporate Governance. The CoG agreed that the Nomination/Remuneration Committee would agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

A long list of applicants is reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust asks the External Auditors to undertake an independent search against each declaration.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview the panel discusses the candidates and agrees what recommendation to put forward to the CoG for approval. Following approval by the CoG, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the CoG are updated on progress.

The Process for the Appointment of the Non-executive Directors

Once it has been established that there is a need to appoint a Non-executive Director, the Nomination/ Remuneration Committee meets to agree the details. The post is advertised and a long list process is completed. The Nomination/Remuneration Committee reviews the applications to develop a shortlist. Governors from the Nomination/Remuneration Committee form the appointment panel and the panel undertakes the interviews. The panel develops a recommendation for approval by the CoG, following which the successful candidate is advised.

Non-executive Directors can serve a total of nine years but can choose to leave or have their service terminated by a recommendation of the Nomination/Remuneration Committee and a majority vote of the CoG.

An outside recruitment agency has been appointed to manage any future recruitment of Non-executive Directors over the next three years.

Appointment of Executive Directors

The Trust has appointed Executive Directors during 2022/23 with details provided at page 58 of the Directors' biographies. In the event of needing to recruit to an Executive Director post in future, the Trust would place an advert in appropriate media and work with an outside recruitment agency whom have been appointed to manage the process for the next three years to invite applications. Each shortlisted candidate would then undertake a series of profiling exercises followed by a formal interview process including a presentation to the interview panel, which would include members of the BoD.

Compliance with the Code of Governance

YSTHFT has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

For the year ending 31 March 2023, the Board considers that it was fully compliant with the Provisions of the NHS Foundation Trust Code of Governance. Information relating to disclosures to meet the requirements of the Code of Governance is documented throughout this Annual Report.

The BoD is committed to high standards of corporate governance, understanding the importance of transparency and accountability and the impact of Board effectiveness on organisational performance.

Responsibility for Preparing the Annual Report and Accounts

The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Resolution of Disputes between the CoG and the BoD

The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the CoG and the BoD would be resolved.

The BoD promotes effective communications between the CoG and the Board. The Board, through the Chief Executive and the Chair, provides regular updates to the CoG on developments being undertaken in the Trust. The Board encourages Governors to raise questions and concerns during the year and to ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Director, or Non-executive Director, will ensure that the CoG is provided with any information when, for example, the Trust has materially changed the financial standing of the Trust, or the performance of its business has changed, or where there is an expectation as to performance, which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the CoG. The Chair's position is unique and allows him to have an understanding of a particular issue expressed by the CoG. Where a dispute between the CoG and the Board occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the CoG would jointly attempt to resolve the dispute. In the event of the Senior Independent Director and the Lead Governor being unable to resolve the dispute, the BoD,

pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

The Board makes decisions about the functioning of the Trust and, where appropriate, consults with the CoG prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the CoG in a private session, and to NHSE.

The CoG is responsible for the decisions around the appointment of Non-executive Directors, the appointment of the External Auditors in conjunction with the Group Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chair. The CoG sets the remuneration of the Non-executive Directors and the Chair. The CoG is encouraged to discuss decisions made by the Trust and highlight any concerns it has. The CoG also has in place a statement that identifies at what level the BoD will seek approval from the CoG when there is a proposed significant transaction.

Board Balance, Completeness and Appropriateness

As at 31 March 2023, the BoD for YSTHFT comprised seven Executive Directors, seven Independent Non-executive Directors and an Independent Non-executive Chair. One Corporate Director (non-voting) also attends the Board.

Changes to the Board composition during the financial year 2022/23 are set out on page 56.

Appraisal of Board Members

The Chair has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the BoD and confirmed that they are all effective, independent Non-executive Directors.

The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2022/23 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chair. The Chair has put in place a robust system where he discusses the outcome of his enquiries with the Chief Executive and draws up a set of objectives.

The BoD maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the National Health Service Act 2006.

The BoD requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensure that no one individual or group dominates the decision-making process.

Each member of the BoD upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of Interests.

The appointment of Executive Directors is discussed at the Remuneration Committee.

Biographies for the BoD can be found on page 56 of this report.

Internal Audit Function

The Trust has an internal audit function in place that provides support to the management of the organisation. Details of the internal audit function can be found on page 64.

Attendance of Non-executive Directors at the CoG

All Non-executive Directors have an open invitation to attend the CoG meetings, which they attend on a regular basis. The BoD and the Governors meet at the Board to Council of Governor meetings, which are held twice a year. Each meeting has focused on areas that the Governors would like more information or understanding of.

Members of the CoG and Non-executive Directors work together on other occasions through various groups and committees and meet on a one-to-one basis during the year.

Executive/Corporate Directors' Remuneration

The Board Remuneration Committee meets on a regular basis, as a minimum once a year, to review the remuneration of the Executive/Corporate Directors. Details of the work of the Remuneration Committee can be found on page 81.

The CoG has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of the Nominations/Remuneration Committee is to review the remuneration of the Non-executive Directors. Details of the Governor Nominations Remuneration Committee can be found on page 83.

Accountability and Audit

The BoD has an established Group Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Group Audit Committee is on page 63.

Relations and Stakeholders

The BoD has ensured that there is satisfactory dialogue with its stakeholders during the year. Some examples of the Trust working with stakeholders can be found on pages 21, 100, 109, and 147.

Council of Governors Annual Report

Annual statement from the Lead Governor

As we began slowly to emerge from the Covid-19 pandemic, I was elected in December 2022 to the role of Lead Governor. I held listening sessions in January 2023 for Governors so that I can better understand their areas of concern and priorities, and these will continue on a regular basis. Alan Downey, the Chair of the YSTHFT, and I meet monthly and as necessary to allow good communication and information exchange. While the pandemic introduced a level of challenges to the Trust unseen before, we are now facing an equal level of challenges related to staff shortages, strikes, elective back logs and a budgetary deficit. The YSTHFT is not unique in this position, as this is also felt at other Trusts nationally. All of these have far-reaching implications for patient care and safety and prioritising these fundamental responsibilities has become the foremost focus in our duties.

As a group, the Council of Governors (CoG) at the YSTHFT currently includes 24 Governors representing staff at York and the Scarborough and Bridlington hospitals; representing the public from the City of York, East Coast of Yorkshire, Hambleton District, Ryedale and East Yorkshire and Selby; and representing the partner organisations, the University of York, the Hospice Movement and York and North Yorkshire County Council. As Councils are increasingly involved in the care sector, we are looking to recruit Governor representatives from the City of York Council and East Riding of Yorkshire Council. We are also looking to recruit two representatives from charities related to carers and mental health to help us respond to the needs of our community.

One of the two roles as a CoG is for us to hold the Non-Executive Directors (NEDs) to account for the performance of the Board. This has been difficult during the pandemic years as we only communicated through online meetings. This year we started to change the way we interact with the Trust's NEDs. On an annual rota, the Governors take on positions as observers in the Trust's Board Sub-committees (Group Audit Committee; Digital, Performance and Finance Committee; Quality and Safety Committee; and the People and Culture Committee) and the quarterly CoG meetings are shaped to have direct discussions on key topics with NEDs rather than with Executive Directors. This is a significant step change for us and while we have some way to go to build a truly constructive relationship between the NEDs and the CoG, I feel that we are at the beginning of a process of improving communication to undertake one part of our specified role to hold the NEDs to account for the performance of the Board.

The second role of the CoG is to represent the interests of the members of the Trust and the public. We have again made significant progress towards providing a stronger platform for the public to voice issues. Questions raised by the public are answered by appropriate staff and published with the Minutes and on the Trust website. The public also attend the quarterly CoG meetings and time is set aside for listening, to ask questions and to provide answers.

Our Governors are also represented in a number of patient centric Trust committees including the Patient Experience Steering Group; Travel and Transport Group for Scarborough and York; the Inclusion Forum; York Older People's Assembly; and the Out of Hospital Care Group, relating to the whole of the Trust's geographical area. The Governors therefore have a very good oversight and the opportunity to challenge the activities that matter to the Trust members and the public – patient care and safety.

The CoG holds biannual meetings with the Trust's Board, raising questions directly towards the Executive as well as the NEDs. The Governors also hold and chair a Membership and a Constitutional Review group and are members of the nominations and remuneration committee chaired by Alan Downey.

Our Governors, Linda Wild and Sally Light, are working with the Trust's Lead for Patient and Public Involvement, and the Humber and North Yorkshire ICS to develop a Patient, Service-user, and Carer Experience Charter. The Humber and North Yorkshire ICS is one of six ICSs chosen nationally to work with NHSE and the King's Fund on this project. The charter will give an agreed and an expected standard of patient, service-user and carer experience when receiving treatment, care, and support from any NHS Trust within the ICS. This is a significant development and our Governors are contributing directly to shaping this Charter.

Our Governors are also represented in the following East coast public groups:

- Bridlington Health Forum (represented by our Governor Bernard Chalk).
- Save Scarborough Hospital (represented by our Governor Bernard Chalk).

Bernard Chalk is engaged in discussions with both Bridlington and Scarborough groups to lead on broad discussions that matter to the East Coast in general.

Membership at the Trust provides a voice on how a member's local hospital is run. As with other Trusts nationally, the YSTHFT's membership is declining. We have much work to do to raise the profile and attract more members. The CoG' Membership Group, led by Abbi Denyer, is working with the Governors to raise public awareness and improve the Trust membership. Michael Reakes has worked tirelessly to introduce posters, banners and a QR code to make it easy for the public to join the Trust membership.

The YSTHFT is part of the Humber and North Yorkshire Care Partnership, which is one of 42 ICSs across England to provide a joined up healthcare service. Although it is still early days in its development, we are starting to see budgetary influence from the ICB on the Trust's annual plans. The CoG is planning to keep a close look at this in the coming years through communication with NEDs.

Overall, my perception is that the Governors are now engaged across various facets of the Trust and are beginning to work effectively with our NEDs to ensure that the patient safety and care is at the heart of everything we do. I would personally like to thank all the Governors for their unwavering enthusiasm, hard work and commitment to continuous service improvement at our Trust guided by the Trust values kindness, openness and excellence. I would also like to thank Alan Downey for guidance and support to the CoG, and also Mike Taylor, the Associate Director of Corporate Governance, and Tracy Astley, Governor and Membership Manager, for all their support to the CoG.

As we progress in these exceptionally difficult times, it is my vision that the CoG will play an increasing part in supporting the NEDs, and therefore the Board, so that we can aspire to demonstrate best practice in all that we do.

Rukmal Abeysekera
Lead Governor
June 2023

Role of the CoG

All NHS Foundation Trusts are required to have a body of elected and nominated Governors. YSTHFT has a CoG which is responsible for representing the interests of the public in their local areas, Trust members, staff members and partner organisations in the local health economy.

As a public benefit corporation, the Trust is accountable to the local community, staff who have registered for membership and to those elected or appointed to seats on the CoG.

The CoG' roles and responsibilities are outlined in legislation and detailed in the Trust's constitution. The primary function of the CoG is:

- To hold the Non-executive Directors, individually and collectively, to account for the performance of the BoD; and,
- To represent the interests of the members of the Trust as a whole and the interests of the public.

The CoG has a right to be consulted on the Trust's strategies and plans, and on any matter of significance affecting the services it provides. All Governors, both elected and appointed, are required to act in the best interest of the NHS Foundation Trust and to adhere to the values and code of conduct of the Trust.

Their other duties and responsibilities include:

- To appoint and remove the Chair and other Non-executive Directors.
- To approve the appointment of the Chief Executive.
- To appoint and remove the External Auditors.
- To ensure one or more of the Directors attend a meeting of the CoG for the purpose of obtaining information about the Trust's performance, of its functions, or the Directors' performance of their duties.
- To review the Annual Accounts, Auditors' Report and Annual Report.
- To provide a view from the membership on matters of significance affecting the Trust or the services it provides.
- To regularly feedback information about the Trust, its visions and its performance to the communities they represent.
- To attend meetings of the CoG.
- To attend Board to CoG meetings.
- To receive an annual report from the BoD.
- To monitor performance and other targets.
- To advise the BoD on its strategic plans.
- To make sure the strategic direction of the Trust is consistent with its terms of authorisation as agreed by NHSE/I.
- To be consulted on any changes to the Trust's constitution.
- To agree the Chair's and Non-executive Directors' remuneration.
- To provide representatives to serve on specific groups and committees working in partnerships with the BoD.
- To inform NHSE/I if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust.

The CoG and the BoD continue to work together to develop an appropriate and effective working relationship. They are regularly updated on the performance of the Trust from the BoD and receive both the agenda and minutes of each public BoD meeting.

The CoG at YSTHFT currently has 28 Governor seats in the constitution, as follows:

Public Governors	16 elected seats
Staff Governors	6 elected seats
Stakeholder Governors: • Local Authorities • Healthcare Organisations • Local Universities • Voluntary Sector	6 appointed comprising: • 1 seat • 2 seats • 1 seat • 1 seat

Elections

The Trust holds elections each summer. Where there are vacancies in constituencies the members will be informed and invited to nominate themselves for the seats. Members who have joined prior to the closing date for nominations are eligible to vote. The elections process begins in June and the election results are announced at the end of September each year.

The Governors

Listed below are the members, elected or appointed, who have served on the CoG during the year 2022/23.

Name	Initial Appt Year	Date Appointed	Term of Office	End of Term Date
ELECTED GOVERNORS – PUBLIC				
Hambleton Constituency (1 seat)				
Catherine Thompson	2016	01.10.22	3 Years	30.09.25
East Coast of Yorkshire (5 seats)				
Linda Wild	2022	01.10.22	3 Years	30.09.25
Colin Hill	2022	01.10.22	3 Years	30.09.25
Maria Ibbotson	2022	01.10.22	3 Years	30.09.25
Bernard Chalk	2021	01.10.21	3 Years	30.09.24
Keith Dobbie	2021	01.10.21	3 Years	30.09.24
Selby Constituency (2 seats)				
Andrew Stephenson	2022	01.10.22	3 Years	30.09.25
Wendy Loveday	2022	01.10.22	3 Years	30.09.25
Ryedale and East Yorkshire Constituency (3 seats)				
Sue Smith	2021	01.10.21	3 Years	30.09.24
David Wright	2021	01.10.21	3 Years	30.09.24 (resigned July 22)
Alastair Falconer	2021	01.10.21	3 Years	30.09.24
York Constituency (5 seats)				
Sally Light	2018	01.10.21	3 Years	30.09.24
Michael Reakes	2016	01.10.22	3 Years	30.09.25
Helen Fields	2013	01.10.19	3 Years	30.09.22
Rukmal Abeysekera	2020	01.11.20	3 Years	31.10.23
Beth Dale	2021	01.10.21	3 Years	30.09.24

Mary Clark	2022	01.10.22	3 Years	30.09.25
Out of Area Constituency (1 seat)				
Amit Bhagwat	2021	01.10.21	3 Years	30.09.24 (left July 22)
STAKEHOLDER GOVERNORS				
North Yorkshire County Council (1 seat)				
Cllr Chris Pearson	2015	01.10.21	3 Years	30.09.24 (left May 22)
Cllr Liz Colling	2022	01.09.22	3 Years	31.08.25
University of York (1 seat)				
Gerry Richardson	2017	01.05.20	3 Years	30.04.23
Voluntary Sector (1 seat)				
Vacancy				
Healthcare Organisations (2 seats)				
Dawn Clements	2016	01.10.22	3 Years	30.09.25
Vacancy				
ELECTED GOVERNORS - STAFF				
Community (1 seat)				
Sharon Hurst	2015	01.10.22	3 Years	30.09.25
Scarborough and Bridlington (2 seats)				
Maya Liversidge	2020	01.11.20	3 Years	31.10.23
Franco Villani	2022	01.10.22	3 Years	30.09.25
York (3 seats)				
Mick Lee	2014	01.10.21	3 Years	30.09.24 (resigned Sept 22)
Vanessa Muna	2020	01.11.20	3 Years	31.10.23 (resigned July 22)
Paul Johnson	2020	01.11.20	3 Years	31.10.23
Julie Southwell	2022	01.10.22	3 Years	30.09.25
Abbi Denyer	2022	01.10.22	3 Years	30.09.25

The appointment to the CoG is for a maximum term length of three years or until the Governor ends their term, whichever is sooner. A Governor can serve a maximum of nine years.

The following changes occurred in the CoG membership during the year:

Incoming

- Mary Clark was appointed as Public Governor for York constituency on 1 October 2022.
- Linda Wild, Colin Hill and Maria Ibbotson were appointed as Public Governors for East Coast of Yorkshire constituency on 1 October 2022.
- Andrew Stephenson and Wendy Loveday were appointed as Public Governors for Selby constituency on 1 October 2022.
- Cllr Liz Colling joined as a Stakeholder Governor representing North Yorkshire County Council on 1 September 2022.

- Julie Southwell and Abbi Denyer were appointed as Staff Governors for York constituency on 1 October 2022. Paul Johnson also moved from being a YTHFM Stakeholder Governor to Staff Governor for York following the decision to designate YTHFM staff as Trust staff.

Outgoing

- David Wright, Public Governor for Ryedale and East Yorkshire constituency, resigned on 25 July 2022.
- Helen Fields, Public Governor for City of York constituency, had completed her maximum tenure of nine years which ended on 30 September 2022.
- Amit Bhagwat, Public Governor for Out of Area constituency, left in July 2022.
- Cllr Chris Pearson, Stakeholder Governor representing North Yorkshire County Council, left in May 2022.
- Vanessa Muna, Staff Governor for York constituency, resigned in July 2022.
- Mick Lee, Staff Governor for York constituency, resigned in September 2022.

CoG Meetings

The Trust Chair also acts as Chair of the CoG. Meetings of the CoG took place on five occasions. The table below shows the attendance of Governors at the formal CoG meetings.

Attendees	27.06.22 *	07.07.22	26.09.22	01.12.22	16.03.23	Total meetings attended
Rukmal Abeysekera	✓	✓	✓	✓	✓	5/5
Amit Bhagwat	✓					1/1
Bernard Chalk	✓	✓	✓	✓	✓	5/5
Mary Clark				✓	ap	1/2
Dawn Clements	ap	ap	✓	✓	ap	2/5
Cllr Liz Colling			✓	✓	✓	3/3
Beth Dale	✓	✓	ap	ap	ap	2/5
Abbi Denyer				✓	✓	2/2
Keith Dobbie	ap	✓	✓	✓	✓	4/5
Alastair Falconer	✓	✓	✓	✓	✓	5/5
Helen Fields	✓	✓	✓			3/3
Colin Hill				✓	✓	2/2
Sharon Hurst	ap	✓	✓	✓	ap	3/5
Maria Ibbotson				✓	✓	2/2
Paul Johnson	✓	ap	✓	✓	✓	4/5
Mick Lee	✓	✓	✓			3/3
Sally Light	✓	✓	✓	ap	✓	4/5
Maya Liversidge	✓	✓	✓	✓	✓	5/5
Wendy Loveday				✓	✓	2/2
Vanessa Muna	ap	ap				0/2

Chris Pearson						0/0
Michael Reakes	ap	✓	ap	✓	✓	3/5
Gerry Richardson	✓	✓	✓	ap	✓	4/5
Sue Smith	✓	✓	ap	✓	✓	4/5
Julie Southwell				✓	✓	2/2
Andrew Stephenson				✓	✓	2/2
Catherine Thompson	ap	✓	ap	✓	✓	3/5
Linda Wild				ap	✓	1/2
David Wright	ap	ap				0/2

* This was an extraordinary Council of Governor meeting to ratify the re-appointment of two Non-executive Directors.

The Chief Executive, Deputy Chief Executive and Non-executive Directors and Trust staff regularly attend meetings of the CoG and its subgroups to present appropriate reports and provide information on the Trust's performance at the Council's request. The table below shows the attendance of the Board at the formal CoG meetings.

Attendees	07.07.22	26.09.22	01.12.22	16.03.23	Total meetings attended
Simon Morritt	✓	✓	✓	✓	4/4
Andrew Bertram			✓		1/1
Jim Taylor					0/0
Heather McNair	✓	✓	✓	✓	3/3
Wendy Scott					0/0
Polly McMeekin			✓		1/1
James Hawkins	✓	✓		✓	2/2
Lucy Brown	✓	✓	✓	✓	4/4
Karen Stone			✓		1/1
Jenny McAleese	✓	✓	ap	✓	3/4
Lynne Mellor	✓	✓	✓	✓	4/4
Lorraine Boyd	✓	✓	✓	ap	3/4
Jim Dillon	✓	ap	ap	✓	2/4
Steven Holmberg	ap	✓	✓	ap	2/4
Matt Morgan	ap	ap	ap	ap	0/4
Denise McConnell	ap	✓	✓	✓	3/4
Ashley Clay	ap	ap	ap	ap	0/4

During 2022/23 the CoG and its subgroups and Committees received updates and considered reports on a number of issues including:

- Our Voice Our Future: Trust priorities.

- Current Covid-19 position and operational challenges.
- CQC report published.
- Humber, Coast and Vale Health and Care Partnership update.
- Strategic direction for Bridlington Hospital.
- Capital development updates.
- Staff recognition events.
- Board appointments.
- CQC progress reports.
- Chair's and NEDs appraisals.
- Ockenden Update.
- Outpatient Transformation work.
- Research and Development updates.
- Governor Elections.
- NED Succession Planning.
- Trust Constitution.
- Performance information.
- Group Audit Committee Annual Report.
- Workforce/Recruitment issues.
- Covid-19 and flu vaccinations update.
- Elective recovery.
- Discharge pathways.
- Same day emergency care.
- York and North Yorkshire Devolution deal.
- Board development.
- Digital, Performance and Finance updates.
- Quality and Safety updates.
- People and Culture updates.
- Industrial Action.
- WDES Annual Report
- WRES Annual Report.
- YTHFM updates.

Attendance at Meetings

In addition to the CoG meetings, the Governors also met on a number of other occasions during the year to receive informal updates, training and information.

These covered a number of subjects, including the following:

- Draft Strategy.
- Operational Recovery.
- People Recovery.
- Progress on East Coast including capital projects.
- Ockenden Progress.
- Digital Progress.

Governors have also been involved in or attended the following meetings/events:

- Virtual Annual General Meeting/Annual Members' Meeting 2022.
- Governors' informal meetings.
- Public BoD meetings.
- Public CoG meetings.

Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust continues to ensure that Governors receive the information and understanding they require to perform the role. An Induction session was provided to new Governors and the agendas from the Council meetings and Board to CoG are structured to provide the necessary information and understanding. Further sessions arranged include:

- Governor Focus Conference.
- NED Recruitment Training.
- Governor Workshops.
- Membership and Public Engagement.
- Accountability and Holding to Account.
- Core Skills.
- NHS Finance and Business Skills.
- Effective Questioning and Challenge

Governor expenses

Governors are not remunerated but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (i.e., travel expenses to attend the CoG meetings). The total amount of expenses claimed during the year from 1 April 2022 to 31 March 2023 by Governors was £402.40.

Related Party Transactions

Under International Accounting Standard 24 “Related Party Transactions”, the Trust is required to disclose in the annual accounts any material transactions between the NHS Foundation Trust and members of the CoG or parties related to them.

There were no such transactions for the period 1 April 2022 to 31 March 2023.

Appointment of the Lead Governor

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full CoG which holds an election. The CoG followed this process and appointed Sally Light as Lead Governor from 1 October 2021. She subsequently resigned her Lead Governor role on 30 November 2022. An election was held and Rukmal Abeysekera became Lead Governor on 1 December 2022.

Membership of the committees and groups

The CoG has delegated authority to a number of Committees and Groups to address specific responsibilities of the CoG. During the year the CoG welcomed some new members following the elections. This has meant that during the early part of 2022 the Governors have reviewed the Groups and Committees and replacements have been confirmed.

The CoG was supported by the following Sub Groups and Committees:

Nominations/Remuneration committee

- Alan Downey – Chair of the Trust (Chair)
- Mike Taylor – Associate Director of Corporate Governance
- Gerry Richardson – Stakeholder Governor, York University
- Sally Light – Public Governor York
- Mick Lee - Staff Governor, York (resigned September 2022)
- Helen Fields – Public Governor, York (resigned September 2022)
- Sue Smith – Public Governor Ryedale and East Yorkshire
- Catherine Thompson – Public Governor, Hambleton
- Beth Dale – Public Governor York
- Rukmal Abeysekera – Lead Governor
- Linda Wild – Public Governor East Coast of Yorkshire

During the year, issues discussed included:

- NED succession planning.
- NED recruitment.
- Annual appraisal of all seven Non-executive Directors, including the Chair.
- Trust Chair's recruitment process.
- Board Sub-committee Chairs and Vice Chairs.
- Lead Governor recruitment including the job description and process.
- Deputy Lead Governor process.

The terms of reference and work programme of the Committee were reviewed.

The Committee continues to reflect on the process for appointment of new Non-executive Directors and will take any learning forward to help shape the future Non-executive Director appointment processes.

Items discussed at the Nominations/ Remuneration Committee were highlighted to the private session of the full CoG and the Chair offered time for discussion. In the Council's subsequent meeting in public, the Chair briefly summarised the recommendations put forward by the Committee and their approval (or not) by the full CoG.

Out of Hospital Group

The Out of Hospital Care Group is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include Public and Staff Governors, a Non-executive Director, and senior managers from the Trust. The Group is chaired by the Head of Community Services. The Group has a wide remit, looking at any services provided out of hospital by the Trust and reporting back to the CoG. The Group serves three key purposes:

- To provide a forum for Governors (on behalf of the members and local communities) to raise any issues regarding community services.
- To provide a reference group for development in community services to gain insight from a public perspective.
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public Governors and the communities they represent.

Constitution Review Group

The Constitution Review Group has met during the year and discussed several topics, including:

- Constitution amendments.
- NED tenure.
- Governors' tenure.
- Representation of local councils at CoG.
- Governors Code of Conduct.
- Terms of Reference.

The most significant discussions were around the change in the YTHFM representative from holding a stakeholder position to becoming a member of staff representing Staff York. This was due to the decision to include YTHFM staff as members of staff of the Trust.

Membership Development Group

The Membership Development Group has met during the year and discussed several topics, including:

- The Membership Development Strategy.
- Membership events including seminars, the Annual Members Meeting/AGM.
- Increase/decline of membership numbers.
- Encouraging younger members.
- Development of the action plan.
- Use of social media/press releases/articles to promote membership.

This year the meetings have been opened to all governors to explore all opportunities and ideas to engage with members of the public. The Group is focused on how to maintain membership of the Trust and how to recruit members across the Trust's constituencies using various initiatives including:

- Increasing the number of locations in which the membership poster can be placed around the hospital sites and in the wider community.
- Using various methods of communication, including the membership newsletter, email and social media to encourage membership.
- Using mobile membership banners which rotate around the Trust's sites.

Code of Conduct

All Governors have read and signed the Trust's Code of Conduct, which includes a commitment to actively support the NHS Foundation Trust's vision and values.

Register of Governor's interests

The Trust holds a register listing any interests declared by members of the CoG. Governors must disclose details of company Directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The register forms part of the papers at every public CoG meeting and can be accessed by visiting: https://www.yorkhospitals.nhs.uk/about-us/council-of-governors/papers-and-minutes/. The register is also available in the publications section on the Trust website. The public can also make a request in writing to:

Address: Associate Director of Corporate Governance
York and Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road

YORK
YO31 8HE

Telephone: 01904 725076

Email: governors@york.nhs.uk

Foundation Trust Membership

ENGAGEMENT PEOPLE NEWSLETTER
FREE INCLUSIVE COMMUNITY
MEMBERSHIP SUPPORT
TOGETHER SOCIAL PARTNERSHIP
SURVEYS VIEWS BENEFITS EVENTS

Membership Strategy

The Trust continues to focus on recruitment and retaining membership using a variety of methods. Members of the public can sign up for Trust membership via the following link: https://www.yorkhospitals.nhs.uk/get-involved/ or complete a paper application found in the main reception area at any of the Trust's hospitals.

The Trust continues its aim to build a representative membership base to support public accountability and local engagement. It is recognised that a well-informed, motivated, and engaged membership helps organisations to be more responsive, with an improved understanding of the needs of its patients and local communities. Therefore, it is vital to create a membership that matches the demographic mix of our catchment area and to create a vibrant membership programme to support successful long-term engagement with members.

The vision is based around three key areas:

- **Meaningful Membership** – developing a better relationship with existing members who can become more actively engaged with the Trust if they so wish.

- **Representative Membership** – to ensure our membership reflects, where possible, our socio-demographic geography and the communities which we serve.

- **Innovative Membership** – that looks to new ways of recruiting members and reaches out to local communities, younger Members and pockets of very low membership coverage.

In order to maintain our membership level and recruit new public members, the Trust has taken forward a number of initiatives during 2022/23, including:

- Membership information displayed in main reception of each hospital.
- Continued use of the Trust's social media platforms to engage and inform members and the wider public of developments and events at the Trust.
- Dedicated Governor and Membership Manager who acts as link between the members and the Trust.
- Updating the membership section on the Trust's website to include the benefits of being a member, easier access to signing up, and contact information.
- Membership posters being displayed in GP surgeries, libraries and other public areas.

The strategy seeks to support the CoG with specific goals to increase membership and maintain support for the Trust.

Retention of Members

The Trust recognises the importance and value of a representative membership and has continued to focus on opportunities to engage with and retain existing members. Over the past year various events have been arranged and we continue to keep members up to date through a dedicated electronic membership newsletter. Initiatives include:

- Inviting all members to the Public CoG meetings throughout the year. There is a half hour allocated prior to the meetings to give the public/members the opportunity to talk to their Governors.
- Inviting all members to the virtual Annual Members' Meeting which took place in October 2022.
- Arranging virtual events on matters of interest, including a number on mental health wellbeing, end of life care, sustainability and transport.

Over the next 12 months we will continue to look at new ways to promote the benefits of membership in order to maintain and increase our membership. The Membership Strategy is due to be revised in 2023.

The Trust's Current Catchment Area

The map shows the five community areas the Trust serves and each one forms a public constituency for our membership.

Constituencies

The Trust has defined its public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and “natural” communities. Each of the five constituencies contains at least one hospital facility which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust’s experience this is a key issue for membership.

Constituency	Wards
York	All council wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council. Hospital facilities include York General Hospital, St Helen’s Rehabilitation Hospital, White Cross Court Rehabilitation Hospital.
Selby	All council wards and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle. Hospital facilities include the Selby War Memorial Community Hospital.
Hambleton	All council wards and the areas of Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfdale, Starbeck, Wetherby. Hospital facilities include St Monica’s Community Hospital.
Ryedale and East Yorkshire	All 20 Ryedale wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor. Hospital facilities include Malton, Norton and District Community Hospital.
East Coast of Yorkshire	Whitby council wards. Hospital facilities include Whitby Community Hospital. Scarborough council wards. Hospital facilities include Scarborough and District General Hospital. All 3 wards of Bridlington Town Council and 2 wards of East Riding Council, Driffield and Rural and East Wolds and Coastal. Hospital facilities include Bridlington and District General Hospital.

Membership of the Trust is free and is open to anyone aged 16 years of age and over. No special skills or experience is required to be a member. Our public membership consists of patients, volunteers and members of the public who wish to become involved.

Out of Area Public Members

The Trust will continue to offer membership to the public who live outside of these constituencies.

Public Membership Profile

Membership of the Trust as at 31 March 2023 was as follows:

Constituency	Members
East Coast of Yorkshire	1199
Hambleton	582
Ryedale and East Yorkshire	1196
Selby	1328
York	4507
Out of Trust Area	661
Total	**9473**

Age	Public
0-16	0
17-21	13
22+	9054
Not Stated	406

Gender	Public
Unspecified	141
Female	5693
Male	3639

Ethnicity	Public
White - English, Welsh, Scottish, Northern Irish, British	3959
White - Irish	20
White - Gypsy or Irish Traveller	0
White - Other	60
Mixed - White and Black Caribbean	5
Mixed - White and Black African	4
Mixed - White and Asian	8
Mixed - Other Mixed	4
Asian or Asian British - Indian	17
Asian or Asian British - Pakistani	7
Asian or Asian British - Bangladeshi	2
Asian or Asian British - Chinese	4
Asian or Asian British - Other Asian	14
Black or Black British - African	8
Black or Black British - Caribbean	3
Black or Black British - Other Black	0
Other Ethnic Group - Arab	1

Other Ethnic Group - Any Other Ethnic Group	5
Not stated	5352

Staff Membership

The staff constituency comprises:

- Permanent, directly employed members of staff.
- Temporary members of staff who have been employed in any capacity on a series of short-term contracts for 12 months or more.

For staff, membership runs on an opt-out basis, i.e., all qualifying staff are automatically members unless they seek to opt out. The staff membership is broken down into three constituencies: -

York	All staff whose designated base hospital is York Hospital, White Cross Court Rehabilitation Hospital, St Helen's Rehabilitation Hospital, Archways Hospital and any other staff not included in either of the staff groups described below.
Scarborough and Bridlington	All staff whose designated base hospital is Scarborough General Hospital or Bridlington and District Hospital.
Community	All staff whose designated base hospital is Malton Community Hospital, Whitby Community Hospital, New Selby Community Hospital (also known as the New Selby War Memorial Hospital), St Monica's Hospital, Easingwold and any other staff who are designated as "Community" staff and therefore do not have a designated base hospital as they work mainly with patients in a non-acute setting, including those members of staff who are engaged in support functions in connection with such services.

We have over 8,000 staff and any member of staff employed by the Trust on a permanent contract or a fixed term contract of 12 months or longer can become a member. Staff employed through service partners, including the YTHFM, are also eligible to become members.

Further Information on Membership

Contact can be made through the Associate Director of Corporate Governance. The contact details are:

Associate Director of Corporate Governance
York and Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road
York
YO31 8HE

or by e-mailing yhs-tr.membership@nhs.net

Regulatory Ratings

Care Quality Commission

YSTHFT is required to register with the CQC and its current registration status is ‘Registered with Conditions’. The CQC took enforcement action against York Teaching Hospital Trust in 2019/2020 and 2021/22. Inspection activity in October and November 2022 resulted in conditions on registration being put in place for the maternity and midwifery service. At the time of writing, the CQC Inspection Report for the maternity and midwifery service has not been received. The following conditions on registration are in place:

York Hospital

1. The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at York Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Scarborough Hospital

1. The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at Scarborough Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Maternity and Midwifery Service.

1. The registered provider must implement an effective system for managing and responding to patient risk to ensure all mothers and babies who attend the York Hospital are cared for in a safe and effective manner and in line with national guidance.

2. The registered provider must operate an effective clinical escalation system to ensure every woman attending the hospital is triaged, assessed and streamlined by appropriately skilled and qualified staff.

3. The registered provider must implement an effective risk and governance system which ensures that:
    a) There is oversight at service, division and BoD level in the management of the maternity services.
    b) There are effective quality assurance systems in place to support the delivery of safe and quality care.
    c) Risk and occurrence of incidents are properly identified and managed, to include an effective system of recording actions taken and ensuring learning from any incidents.
    d) Serious incidents are reflected and reported correctly in line with national guidance and adequately investigated.
    e) Ensuring learning is shared from the investigation.
    f) Incident grading is reviewed to ensure it is accurate and in line with national guidance.

The CQC has not taken enforcement action against YSTHFT during the reporting period. YSTHFT has not participated in any special review or investigations by the CQC during the reporting period.

In response to the immediate feedback at the conclusion of the inspection in October the following actions were taken to safeguard the safety of our women and babies:

- A safety briefing was implemented and was discussed at all huddles and handovers to ensure that staff were aware of the following:
  - Arterial lines are not be managed on the maternity unit instead are managed in ICU.
  - All Post Partum Haemorrhage of 500mls and above is reported via the incident reporting system.
  - In line with the findings of the Ockenden report all CTG monitored women have fresh eyes review every 60 minutes with any concerns being escalated to the senior midwife/obstetrician.
  - Staff were reminded of the importance of all babies being security tagged as soon as possible after delivery. This applies to all babies on the maternity unit. Parents should be informed of the importance of the tag.
- The fire doors were addressed to ensure all doors had the appropriate fire safety mechanisms and security were placed in maternity department while further work was undertaken to address the issues identified.

The Trust established a Maternity Transformation Committee supported by a Maternity Improvement Project Team to lead and oversee the improvement activity. We also commissioned an independent review in to post partum haemorrhage from an external Professor of Obstetrics.

A comprehensive action plan is in place which is monitored by the Executive Committee and to date 50% of the actions have been implemented.

Ratings	
Overall rating for this trust	Requires improvement
Are services safe?	Requires improvement
Are services effective?	Good
Are services caring?	Good
Are services responsive?	Good
Are services well-led?	Requires improvement
Are resources used productively?	Requires improvement
Combined quality and resource rating	Requires improvement

NHS Oversight Framework

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

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are

allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

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

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

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

As at 31 March 2023 York and Scarborough Teaching Hospitals Foundation Trust have been allocated into segment 3.

Finance and Use of Resources

The finance and use of resources theme is based on the scoring of five measures from ‘1’ to ‘4’, where ‘1’ reflects the strongest performance. These scores are then weighted to give an overall score. The finance and use of resources is only one of the five themes feeding into the Single Oversight Framework.

During the Covid-19 Pandemic the Trust in common with all other NHS organisations was placed in an emergency financial framework with the consequence that the finance and use of resources theme was suspended. Although no longer operating within an emergency financial framework in 2022/23, the finance and use of resources theme remained suspended during this period.

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's Responsibilities as the Accounting Officer of York and Scarborough Teaching Hospitals NHS Foundation Trust

The National Health Service 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.

NHSE has given Accounts Directions which require York and Scarborough Teaching Hospitals 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 York and Scarborough Teaching Hospitals 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.
- 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.

Simon Morritt, Chief Executive
June 2023

Part 3
Annual Governance Statement

2022/23

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 Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Trust Accountable Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of YSTHFT, 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 YSTHFT for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

Recovery from the Covid-19 pandemic, the accompanying planning and priorities guidance, contracting arrangements and requirements in the operational plan have been a significant challenge for the Trust over 2022/23. The majority of this year was spent under the Operational Pressures Escalation Level (OPEL) 4.

This Annual Governance Statement has been prepared on a Group basis and includes YTHFM which is a subsidiary company. References therefore throughout this Annual Governance Statement to 'Trust' are in relation to the Group.

Capacity to handle risk

As Accounting Officer, I have overall responsibility for ensuring there are effective risk management systems and internal controls in place within the Trust and for meeting all statutory requirements and adhering to guidance issued by NHS England in respect of governance and risk management. I have delegated overall duty to ensure risk management is discharged appropriately, to the Associate Director of Corporate Governance, who has been responsible for the implementation of the Risk Management Strategy.

The Board of Directors provides leadership on the overall governance agenda, including risk management. It is supported by a number of Committees that scrutinise and review assurance on internal control. These include:

- Group Audit Committee.
- Quality and Safety Assurance Committee.
- Digital, Performance and Finance Assurance Committee (transferring appropriate responsibilities from the Resources Assurance and Quality and Safety Assurance Committees in July 2022).
- People and Culture Assurance Committee (transferring appropriate responsibilities from the Resources Assurance Committee in July 2022).
- Executive Committee.

Independent assurance on the effectiveness of the system of internal control and overall governance arrangements is provided by the Group Audit Committee. Additional assurance on the effectiveness of the systems for ensuring clinical quality is given by the Quality and Safety Assurance Committee. The BoD routinely receives the minutes of these Committees alongside the Board Assurance Framework and Corporate Risk Register to review the effectiveness of the Trust's system of internal controls.

The Executive Committee reports to the BoD. The Executive Committee, underpinned by the work of the various Sub-committees, receives and reviews updates from all Care Groups and corporate areas relating to risk management, as well as the Trust's Board Assurance Framework. Each Board Committee and its sub-groups have a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups are communicated and recorded on the appropriate Directorate/Care Group risk registers and subject to overview, monitoring and intervention by internal governance arrangements, as well as providing assurance to the Audit Committee, BoD and relevant Board Assurance Committees.

The Trust has a Risk Management Framework in place to ensure that risks are identified, assessed, and properly managed.

Ultimate responsibility for the management of the risks facing the organisation sits with the BoD. The Board considers the strategic and high-level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed.

The Chief Executive has overall responsibility for the management of risk. Other members of the Executive Team exercise lead responsibility for the specific types of risk as follows:

- The Medical Director and Chief Nurse are jointly responsible for clinical governance, risk management and patient safety, and, whilst each has been allocated specific duties and responsibilities, there are clear lines of accountability.
- The Chief Nurse is also responsible for infection prevention and control, and safeguarding children and adults.
- The Chief Operating Officer is responsible for overall risks to operational performance.
- The Finance Director provides the strategic lead for financial risk and the effective coordination of financial controls throughout the Trust.
- The Director of Workforce and Organisational Development is responsible for workforce planning, staffing issues, education and training and organisational development.
- The Chief Digital and Information Officer is responsible for the overall risks associated with information technology and is also the SIRO and has responsibility for information governance.
- The Associate Director of Corporate Governance/Foundation Trust Secretary is responsible for the management of the Board Assurance Framework and ensuring that strategic risks are identified and reported to the BoD.

All Executive Directors, Associate Chief Operating Officers, Care Group Clinical Leads and Managers are responsible for identifying, communicating and managing the risks associated with their portfolios in accordance with the Trust's Risk Management Framework. They are responsible for understanding the approach towards risk management of all key clients, contractors, suppliers and partners and mitigate where necessary, where gaps are found. They are responsible for identifying risks that should be escalated to and from the Corporate Risk Register. The Risk

Management Framework is available to all staff electronically via the Trust's intranet. Roles and responsibilities in terms of risk management are incorporated into the Trust's Risk Management Policy. The Executive Committee via the Risk Committee brings together those responsible to ensure effective mitigation of the strategic and operational risks of the Trust.
The Trust recognises the importance of supporting staff. The risk management team acts as a support and mentor to staff who are undertaking risk assessments, incident reporting, incident investigation and managing risk as part of their role. In addition, the Board has set out the minimum requirements for staff training required to control key risks. A training needs analysis informs the Trust's mandatory training requirements and has been kept under review; this sets out the training requirements of all staff and includes the frequency of training in each case.

Incidents, complaints and patient feedback are routinely analysed to identify learning opportunities and improve control. Lessons for learning are disseminated to staff using a variety of methods, including regular safety briefings and through Care Group governance groups.

The Trust has in place counter fraud arrangements through Audit Yorkshire from the NHS Counter Fraud Authority and has a named Local Counter Fraud Specialist. In order to ensure that counter fraud resources are effective there is a Counter Fraud Plan and Annual Counter Fraud Report which outline the proactive, reactive and strategic counter fraud work undertaken for the Trust in 2022/23.

I have ensured that all significant risks of which I have become aware are reported through to the BoD at each formal meeting. All new significant risks are escalated to me as Chief Executive and subject to validation by the Executive Team at the Risk Committee. The residual risk score determines the escalation of risk.

The Risk and Control Framework

The Trust has a Risk Management Strategy (titled Risk Management Framework), which is reviewed and endorsed by the BoD. The Strategy provides a framework for managing risks across the organisation. The Strategy provides a clear, systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation.

As part of a regular review of risk management at the Trust, an Interim Risk Manager was appointed during 2022/23 and, working with the Associate Director of Corporate Governance, has refreshed the Risk Management Strategy which was published following consultation across the Trust in the Spring of 2023.

The Strategy sets out the role of the Board and its Sub-committees, together with individual responsibilities of the Chief Executive, Executive Directors, other senior managers and all staff managing risk to ensure that risks which cannot be managed locally are escalated through the organisation. All risks are evaluated against a risk grading matrix to ensure that all risks are considered alike. The control measures, designed to mitigate and minimise identified risks, are recorded within the Corporate Risk Register and Board Assurance Framework.

The Board Assurance Framework sets out:

- The strategic objective (what the organisation aims to deliver).
- Strategic risks (those factors that could prevent the objective being achieved).
- Controls (processes in place to manage the risks).
- Assurance (evidence that appropriate controls are in place and operating effectively); and,
- Risk rating (pre and post mitigation and target rating).
- Actions (to provide further control once completed to achieve the target rating).

The Board Assurance Framework provides assurance to the Board that the risks are being adequately controlled and informs the preparation of the Annual Governance Statement. The Board Assurance Framework was reviewed regularly at the BoD meetings, the meetings of the Board's Sub-committees and the Executive Team at the Trust's Risk Committee during 2022/23; it did not identify any significant gaps in control/assurance.

The Trust's risk appetite was an area that has been addressed over 2022/23 and has been reported in the BAF across the year and formally documented in the Risk Management Strategy following BoD approval. This has enabled the Board to manage and understand its risk exposure, to inform risk based decision-making and assurance.

The Trust has a range of key strategic risks, which it has identified and is proactively managing; for example, through action plans and named leads. Progress is monitored by the relevant Assurance Committee and the Group Audit Committee. The Board considers the Board Assurance Framework at its Board meetings in public, and the final BAF of 2022/23 identified the Trust's strategic risks as at 31 March 2023 as follows:

- Unable to deliver treatment and care to the required standard.
- Access to patient diagnostic and treatment is delayed.
- Failure to deliver constitutional/regulatory performance and waiting time targets.
- Inability to manage vacancy rates and develop existing staff.
- Financial risk associated with delivery the Trust and System Strategies.
- Failure to deliver safe, secure and reliable digital services required to meet staff and patient's needs.
- Trust unable to meet ICS expectations as an acute collaborative partner; and,
- Failure to achieve net zero targets, air quality targets and changing climate adaptation requirements.

The high rated risks on the Corporate Risk Register as at 31 March 2023 relate to the following areas:

- Failure to observe Infection Prevention and Control (IPC) policies and guidance.
- Impact of the built environment on IPC.
- Cyber attacks through virus or malware, malicious user behaviours, unauthorised access, phishing and unsecure data flows.
- Sustained significant pressure in the Emergency Department.
- CQC Section 31 notice served on the Trust.
- Deterioration of reinforced aerated concrete (RAAC) pathology roof at Scarborough Hospital.
- Unable to deliver key work streams within the Maternity Transformation Programme due to a lack of available funding.
- Failure to deliver the National Activity Plan.
- Failure to deliver our Annual Financial Plan.
- Delays in offering optimum care and treatment due to the failure to maintain adequate staffing levels.
- Excessive number of patients who have no criteria to reside occupying acute hospital beds.

Care Quality Commission Registration requirements

The Trust is required to register with the CQC and its current registration status is 'Registered with Conditions'. The Trust's last inspection was in July 2019, with an overall Trust rating of Requires Improvement. The CQC took enforcement action against York and Scarborough Teaching Hospitals NHS Trust in 2019/2020 and 2021/22. Inspection activity in October and November 2022 resulted in

conditions on registration being put in place for the maternity and midwifery service. At the time of writing, the CQC Inspection Report for the maternity and midwifery service has not been received. The following conditions on registration are in place:

York Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at York Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Scarborough Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at Scarborough Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Maternity and Midwifery Service

- The registered provider must implement an effective system for managing and responding to patient risk to ensure all mothers and babies who attend the York Hospital are cared for in a safe and effective manner and in line with national guidance.

- The registered provider must operate an effective clinical escalation system to ensure every woman attending the hospital is triaged, assessed and streamlined by appropriately skilled and qualified staff.

- The registered provider must implement an effective risk and governance system which ensures that:
    - a) There is oversight at service, division and board level in the management of the maternity services.
    - b) There are effective quality assurance systems in place to support the delivery of safe and quality care.
    - c) Risk and occurrence of incidents are properly identified and managed, to include an effective system of recording actions taken and ensuring learning from any incidents.
    - d) Serious incidents are reflected and reported correctly in line with national guidance and adequately investigated.
    - e) Ensuring learning is shared from the investigation.
    - f) Incident grading is reviewed to ensure it is accurate and in line with national guidance.

A comprehensive action plan is in place which is monitored by the Executive Committee and to date 50% of the actions have been implemented.

The Section 29a warning notices that were in place for York Medicine and Scarborough Emergency Department have been lifted during the reporting period.

York and Scarborough Teaching Hospitals Foundation Trust were visited for a CQC well-led inspection on 22-24 November 2022. The Trust is awaiting the final report from the CQC.

The CQC has not taken enforcement action against YSTHFT during the reporting period. York and Scarborough Teaching Hospitals NHS FT has not participated in any special review or investigations by the CQC during the reporting period.

Learning from Incidents

Over the course of 2022/23, the Trust has been preparing for the implementation of the Patient Safety Incident Response Framework (PSIRF) in the Autumn of 2023. A thematic analysis of incident, complaint and claims data has been completed to identify our local priorities. These have been agreed as the following:

- Falls Prevention
- Pressure Ulcers
- Deteriorating Patient / Escalation
- Nutrition and Hydration
- Medication Safety (insulin, anti-epileptics, critical meds)
- Discharge and Onward Referral
- Post Partum Haemorrhage (PPH)

A working group has been established to develop our PSIRF plan. This group also has ICB membership. The PSIRF policy is in draft and is out to consultation via the Trust website. Train the trainer development has been undertaken to enable after action review methodology to be embedded alongside, structured judgement case note reviews, serious incident investigation, patient safety incident reports (72-hour reviews) and audit as methods of investigating and learning from incidents.

Incidents continue to be reported via Datix and reviewed daily by Care Groups and the Patient Safety Team. Incidents of concern (moderate and above) are reviewed via a Patient Safety Incident Review report and presented by clinicians to the weekly Quality and Safety (QandS) Group which has Executive and Senior Care Group representation. Learning is shared across all Care Groups and certain issues require assurance back to the QandS that actions and learning have been embedded. This group will also declare serious incidents (SIs).

Safety briefings are developed and circulated across the Trust in response to immediate safety concerns that may be identified at QandS. This enables immediate learning to be disseminated.

The SI Group oversees the approval of SI investigation reports and associated action plans. Following approval, the Care Groups share the reports which are accompanied with an at a glance learning summary. This ensures that learning identified in reports is easily accessible to the front-line staff.

On a quarterly basis a thematic analysis of SI reports is undertaken to enable any new themes to be identified and addressed. This will be replaced with a quarterly review of incidents, complaints, concerns and claims, to enable progress in relation to the PSIRF local priorities to be monitored and also to recognise and address any emerging themes

Our Safety spotlight supplement in our monthly Staff Matters newsletter is incredibly popular with a vibrant editorial committee. Learning from incidents and national themes is shared within this supplement.

The Trust recruited 3 Patient Safety Partners in Quarter 2 2022/23, however, one has left the position for personal reasons. The remaining 2 are continuing their induction and working to develop and embed the role.

NHS Provider Licence – Condition 4

Following a Licence Review by NHSE in February and March 2018, The Trust concluded all its remaining enforcement undertakings, and in December 2020, notification was received that the Trust had complied with all the required undertakings and was no longer considered in breach of its provider licence.

The effectiveness of the governance structure has been assessed by the Associate Director of Corporate Governance who, working with the Chair during 2022/23, has implemented an improved corporate governance structure in compliance with our licence which is continually reviewed with ` to ensure the Trust is meeting its responsibilities.

NHS Oversight Framework

The Trust is in segment 3 in the NHS Oversight Framework based on the level of support required across the themes of leadership capacity and capability, quality of care, financial management and/or operational performance.

Performance

The Board reviews performance data each month against NHSE and CQC standards and outcomes via its Trust Priorities Report, focussing on key performance indicators; quality, safety, patient experience and clinical outcomes; people and organisational development; and finance. This is reported against the Trust's 4 priorities; People, Quality and Safety, Elective Recovery and Acute Flow with further oversight at the Board's Sub-committees.

Continuous improvement of the Trust's key performance indicators is reviewed to identify key actions to improve Trust performance and its assurance. This further enhances the rigour and scrutiny necessary to assure the Board that recovery plans are on trajectory or mitigating actions are put in place where performance is off-track.

The Trust is a key member of the Humber and North Yorkshire Health and Care Partnership (HNYHCP), with a number of Trust Directors and Senior Managers leading on and participating in work to re-design and configure pathways, and to optimise and expand service capacity where feasible.

Financial Performance

In 2022/23 the NHS continued to rise to the challenges of restoring services, meeting the new care demands and reducing the care backlogs that are a direct consequence of the pandemic. The Covid-19 pandemic necessitated simplified finance and contracting arrangements that supported systems to dedicate maximum focus to responding to immediate operational challenges. To support the next phase of service restoration, the financial and contracting frameworks needed to evolve to enable systems to take the appropriate funding decisions for their populations. The fundamental part of the changes was the new Health and Care Act 2022 which received Royal Assent on 28 April 2022. Key provisions in the Act came into force from 1 July 2022. From this date, ICBs were established, and Clinical Commissioning Groups (CCGs) abolished.

The creation of ICBs allows NHSE to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver financial balance. NHS providers within the ICS retain their current structures, governance, and organisational financial statutory duties but there is a new duty to compel providers to have regard to the system financial objectives.

At the end of the financial year, the Trust reported an income and expenditure surplus of £10.6m: this position is then adjusted by a series of technical adjustments in the sum of (£10.5m), the largest of these being the removal of donated asset income of £10m received in the form of a Government Salix grant for energy and carbon reduction schemes. When all these items are adjusted, the final regulator assessed position of the Group is a £0.147m surplus.

The Group cash position remains strong, with a year-end balance of £50.3m.

In 2023/24 the NHS has three key tasks. The immediate priority is to recover our core services and productivity. Secondly, as we recover, we need to make progress in delivering the key ambitions in the NHS Long Term Plan. Thirdly, we need to continue transforming the NHS for the future.

The Autumn Statement 2022 announced an extra £3.3bn in both 2023/24 and 2024/25 for the NHS to respond to the significant pressures we are facing. NHSE is issuing two-year revenue allocations for 2023/24 and 2024/25. At national level, total ICB allocations including Covid-19 and Elective Recovery Funding (ERF) are flat in real terms with additional funding available to expand capacity.

Core ICB capital allocations for 2022/23 to 2024/25 have already been published however capital allocations have been topped-up by £300m nationally, with this funding prioritised for systems that deliver agreed budgets in 2022/23. The ICS share of this funding will be £7.9m.

The contract default between ICBs and providers for most planned elective care (ordinary, day and outpatient procedures and first appointments but not follow-ups) will be to pay unit prices for activity delivered. System and provider activity targets have been agreed through planning as part of allocating ERF on a fair shares basis to systems.

NHSE will cover additional costs where systems exceed agreed activity levels. ICBs and NHS primary and secondary care providers are expected to work together to plan and deliver a balanced net system financial position in collaboration with other ICS partners.

The Trust has agreed a financial plan for 2023/24 with the ICB and with NHSE. This has been set at a deficit level of £15.4m and contributes to the overall, NHSE agreed, ICB deficit plan of £30m. Even operating at a deficit level, this financial settlement places significant pressure on the Trust, and ICB, to manage within agreed financial resources. The Trust will continue its work with the ICB and with NHSE to secure delivery of this plan.

Achievement of economy, efficiency and effectiveness is underpinned by the Trust's Governance Framework and supported by internal and external audit reviews, which are monitored through the Audit Committee. The Trust also has a contract for counter fraud services for the proactive prevention, detection, and reactive investigation of fraud.

Cost Improvement Programme

When the government published the *NHS long term plan,* it made it clear that the plan needed to ensure that 'every penny is well spent.' The then prime minister, Theresa May, said *'It must be a plan that tackles wastes, reduces bureaucracy and eliminates unacceptable variation, with all these efficiency savings reinvested back into patient care.'* In essence, she was talking about the need for a plan that delivered value – getting the best outcomes for the least cost.

As the country emerges from the immediate needs of the Covid-19 pandemic, finances are once again becoming constrained. The focus on efficiency in the NHS has increased and expectations are high around the efficiencies that can be achieved through changing working practices.

Revitalising CIPs (sometimes known as waste reduction programmes) and focusing on value will be essential to ensure that resources are being used well and effectively.

The move to greater system working with the introduction of ICSs supports the aim of the *NHS long term plan* to improve population health in a financially sustainable way. Value and efficiency are increasingly being considered at system level as well as within individual organisations.

The Group overachieved its £32.4m CIP target in 2022/23 by £1.1m, which is a very significant achievement; however, £10m was achieved non-recurrently which has been carried forward into the 2023/24 plan. The Group core savings requirement is set at £21.4m (3.2%) in 2023/24; further technical savings are planned to increase the overall programme to £29.6m (4.3%).

Where CIP schemes have been developed by the Care Groups they undergo a Quality Impact Assessment (QIA), so are self-assessed by the Care Group Teams, including the Care Group Manager, Finance Manager, with senior clinical input using the Trust's risk assessment framework (5 x 5 risk matrix) with a log of risks recorded, analysed, and evaluated for potential impact on the safety and quality of patient care.

Stakeholders

Public stakeholders are involved in the management of risks which impact on them through public meetings of the Board, and our attendance at Health Overview and Scrutiny meetings. Governors are involved in discussions about risks which impact on patients and Members through regular meetings including the CoG and Governor Sub-Groups. They are involved in the development of the Trust's strategy and operational plans.

Our engagement with our stakeholders produces an additional layer of scrutiny and challenge from broad representative areas of our population groups and therefore enables the Trust to remain grounded and responsive to the communities we serve.

The Trust is engaged with partner organisations in the local health and care system in discussing quality and risk issues impacting on patients, in particular through the work of the Humber and North Yorkshire ICS.

Further information regarding patient and public engagement in the Trust is included in the Annual Report.

Workforce Strategies

The Trust's workforce and organisational development strategic aims and objectives 2019-2024 comprises the fundamental elements of the national 'People Plan' which strives to be an employer of choice in a candidate-driven market.

Assurance on all aspects relating to the workforce is provided to the People and Culture Assurance Committee as a Sub-committee of the BoD. In the context of a challenged employment market, particular focus is given to innovative recruitment, onboarding, and cultural change to improve retention.

Register of Gifts and Hospitality

The Trust publishes 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 guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. The register can be found at Declarations (mydeclarations.co.uk).

NHS Pension Scheme

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

Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Regular reports are received by the BoD to provide assurance of compliance.

Climate Change

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

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

During the year the BoD has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns. The Trust uses a number of ways to review assurance mechanisms, including the Board Committee Structure, internal audit and other reviews, including those by NHSE, CQC and the well-led framework.

The Trust has undergone a well-led review by NHSE during 2022/23 and subsequently was visited by CQC for a well-led inspection on 24 November 2022 with the Trust awaiting the final report. A series of actions to address anticipated CQC well-led findings is underway with progress reported to the BoD.

The Trust operates within a governance framework of Standing Orders, Standing Financial Instructions and other processes. The framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority
- Performance management, and
- Achieving value for money in procurement

The governance framework is subject to scrutiny by the Trust's Audit Committee and internal and external audit. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

Information Governance

The Trust had in post during 2022/23 a Board-level, Chief Digital and Information Officer as well as a Data Protection Officer and Head of Information Governance. These roles have responsibility for providing professional leadership on information management, related legislation and professional standards for the Trust and partners.

Staff have continued to engage in information governance and security training as part of the mandatory training programme across the Trust.

The Data Protection and Security Toolkit 2021/22 was submitted in June 2022. The assessment resulted in the Trust not having met the required standards, primarily based on staff training levels which are below the required 95%. An improvement plan has been agreed and the interim Toolkit was submitted in March 2023. The full submission is in progress and due in June 2023. The Information Governance Executive Group continues to monitor this and reports to the Chief Executive.

The Trust manages information security incidents in a transparent manner using the Information Commissioner and Data Security and Protection Toolkits, recommending criteria to determine whether they should be reported or not. All the incidents below were felt to meet this threshold with no further action required from the Information Commissioner's Office:

- A data breach of staff confidential medical information sent to an incorrect staff member's address.
- A data breach of incorrect hepatitis B antibody results on the Cohort system, displaying incorrectly with results for new patients being mitigated as a result.
- A data breach of patient information inappropriately accessed by a member of staff.
- A data breach of the Trust's training records and appraisal software failing with unavailable back up.
- A confidentiality breach of personal data of a service referrer accessed by a member of staff.
- A confidentiality breach of a patient complainant (whom was a member of staff) been made aware to a Ward Manager.

Data Quality and Governance

The Trust has arrangements in place to ensure it processes data that is accurate, reliable, timely, complete and sufficient. The responsibility for quality is split between the Chief Nurse and Medical Director, both of whom sit on the Quality and Safety Assurance Committee. The Quality and Safety Assurance Committee reports directly into the Board and the Chair of the Quality and Safety Assurance Committee also is a member of the Group Audit Committee.

The Trust has a number of underpinning strategies in place, including the Patient Safety Strategy and Quality Improvement Strategy which is currently incorporated into the Quality Strategy. These are supported by the Risk Management Framework and policies relating to health and safety, incident reporting, complaints, claims and safeguarding.

Over the course of 2022/23 the governance processes have continued to be strengthened to improve Ward to Board governance. Any areas of concern are escalated to the Board via the Committee Structure, which includes the Group Audit Committee. Thematic analysis of serious incident themes has been undertaken and a number of quality improvement projects have been developed to address themes.

The Trust actively encourages staff to develop their skills and knowledge by providing numerous courses and opportunities. Specific courses are also developed following concerns raised or discussions with staff, such as a new leadership/supervisory development course. The Trust has been working with partner Higher Education Institutions, specifically focusing on Coventry University at Scarborough, to develop opportunities for local people to undertake undergraduate training in health care related courses. Closer working links have also been developed with the Hull York Medical School in order to ensure more places for doctors in training.

Data quality, monitoring, validation and system controls are embedded within the organisation, and reporting processes to assure the quality and accuracy of elective waiting time data are in place. The Trust also has a Data Quality Working Group which reports into the Group Audit Committee to review data quality and provide assurance. The process of elective waiting time data has been scrutinised at this group over the reporting period and assurance provided to the Group Audit Committee on the quality and accuracy of data. The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data, together with the strengthening of the assurance received by the Quality and Safety Assurance Committee.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the 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 and its Assurance Committees. A plan to address weaknesses and ensure continuous improvement of the systems is in place.

The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives has been reviewed.

The Trust Board seeks assurance from the Trust's internal auditors, by way of reports that are published in response to reviews initiated following the agreement of an annual audit plan.

These reports are undertaken in accordance with the requirements of the Public Sector Internal Audit Standards and provide specific levels of assurance and include suggested actions to improve controls where this is considered necessary.

Apart from the Group Audit Committee, other Sub-committees include, Quality and Safety Assurance Committee, Digital, Performance and Finance Assurance Committee, People and Culture Committee and the Charitable Funds Committee, details of which are set out in the Accountability Report section of this Annual Report. The Group Audit Committee provides the Trust Board with a means of independent and objective review of:

- Internal control
- Financial systems
- The financial information used by the Trust
- Controls assurance systems
- Risk management systems
- Compliance with law, guidance and codes of conduct

The Group Audit Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

Internal Audit

The overall opinion for the 2022/23 reporting period provides Limited Assurance, that there are weaknesses in the design and/or inconsistent application of the framework of governance, risk management and internal control that could result in failure to achieve the organisation's objectives.

The opinion is reflective of the performance over the entire 2022/23 financial year, and whilst the Trust has recently implemented improvements in the number of outstanding recommendations at the end of March, unfortunately there has not been sufficient time to be able to evidence sustained and embedded improvement. However, these improvements are in place and the Chief Executive Officer now holds Executive Directors to account for the agreement of appropriate recommendations with Internal Audit, as well as the subsequent delivery, through the Risk Committee. The Trust will be able to demonstrate this in action during 2023/24.

There have been nine issued limited assurance outcomes received during the year, resulting in the reference to seven key control weaknesses in the opinion, thus materially impacting on the overall control environment. All limited assurance reports are due to be followed during 2023/24 to evidence the improvement in the control environment and reflect that improvement in the 2023/24 opinion.

The 2022/23 Internal Audit Plan has been delivered, subject to approved changes. This position has been reported within the progress reports across the financial year and any changes to the audit programme have been reviewed and approved by the Audit Committee.

During the year, myself and/or the Finance Director and Deputy Chief Executive and Audit Sponsor have met with the Internal Audit Manager to discuss ‘Limited’ and ’Low’ Assurance reports. Outcomes of the meetings are documented and reported to the Audit Committee, which takes assurance that action plans have been agreed and are being progressed to address areas of weakness identified.

It is pleasing to note the two most recent reviews on the system of internal control – the Board Assurance Framework and Risk Management, have received significant assurance.

External Audit

External audit provides independent assurance on the accounts, annual report, and Annual Governance Statement. The Trust’s External Auditor provided a clean unqualified audit opinion.

These documents and internal and external audits of specific areas of internal control provide the Board of directors with the information it requires to gain assurance that the Trust is meeting its objectives to protect patients, staff, the public and other stakeholders against risks of any kind: which allows the Board to support me in signing this Annual Governance Statement.

Conclusion

The system of internal control has been in place at the Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.
2022/23 was focussed in the majority on the recovery from the pandemic with the Trust over this period re-instating its full Board and Sub-committee structure throughout the year and focussed its discussions on the recovery from the pandemic as directed by NHS England.

In summary I am assured that the NHS Foundation Trust has an overall sound system of internal controls in place, albeit with identified issues by internal audit on outstanding recommendations and assurance improvements needed, which are designed to manage the key organisational objectives and minimise the Trust's exposure to risk.

The Board of Directors is committed to continuous improvement and enhancement of the system of internal control. I am assured that: - The Board, executive directors and senior management have

identified and are managing the risks facing the Trust, with the escalation of risk events, an effective process for keeping risks scores up to date and flagging any risk and control concerns; - There is an appropriate Risk Management Framework in the Trust; - The Head of Internal Audit Opinion has provided limited assurance from which plans are in place to provide further assurance in 2023/24 and other independent assurance providers to the trust, including external audit, have identified no major concerns from their risk focused programme of independent assurance.

Signed:

Simon Morritt
Chief Executive
June 2023

2022/23

Independent auditor's report to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements
As explained more fully in the Statement of Accounting Officer's Responsibilities the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2022/23 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust and Group, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

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

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

- discussing with management and the Group Audit Committee the policies and procedures regarding compliance with laws and regulations;

- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and Group which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Group Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud;
- addressing the risks of fraud through management override of controls by performing journal entry testing, testing of accounting estimates, and consideration of any significant transactions outside the normal course of business;
- testing income and expenditure transactions around the year end;
- testing year end accruals; and
- reviewing intra-NHS reconciliations provided by the Department of Health and Social Care.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Group Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in April 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have not completed our work on the Trust's arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have identified the following significant weakness in the Trust's arrangements for the year ended 31 March 2023.

In September 2021 we identified a significant weakness in relation to Governance for the years 2020/2021 and 2021/22. In our view this significant weakness(es) remains for the year ended 31 March 2023:

Significant weakness in arrangements – issued in a previous year	**Recommendation**
Care Quality Commission (CQC) inspection of the Trust's Emergency Departments (carried forward from 2020/21) In our view, the continuation of 2 of the conditions of registration imposed by the CQC in June 2020 represents a significant weakness in arrangements in relation to: Governance - how the Trust ensures that it makes informed decisions and properly manages its risks	The Trust should implement and embed the action plans it has developed to address the patient care issues identified by the CQC in order to deliver sustainable improvements for patients. In particular, it should ensure that robust monitoring and reporting processes are maintained, and that challenge, scrutiny and escalation arrangements drive the required improvements for patients and maintain the progress made to-date in implementing the actions to address the remaining issues raised by the CQC.

We will report the outcome of our work on the Trust's arrangements in our commentary on those arrangements within the Auditor's Annual Report. Our audit completion certificate will set out any further matters which we are required to report by exception.

Responsibilities of the Accounting Officer
The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources
We are required by Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice
In our opinion:

- the parts of the Remuneration Report and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2022/23; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2022/23; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

Alastair Newall, Key Audit Partner For
and on behalf of Mazars LLP

One St Peter's Square Manchester
M2 3DE

29 June 2023

Audit Completion Certificate issued to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust for the year ended 31 March 2023

In our auditor's report dated 29 June 2023 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.
This work has now been completed.
No matters have come to our attention since 29 June 2023 that would have a material impact on the financial statements on which we gave our unqualified opinion.

The Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources
We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

In our auditor's report dated 29 June 2023 we reported that we had identified a significant weakness in the Trust's arrangements for the year ended 31 March 2023. On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have identified the following additional significant weakness in relation to the Governance criteria on the Trust's arrangements for the year ended 31 March 2023.

Significant weakness in arrangements	Recommendation
In June 2023, the Care Quality Commission (CQC) issued an inspection report, covering the period of November 2022 to March 2023. The Trust's overall combined quality rating was 'Requires Improvement. The report identifies the action that the Trust must take to improve. In our view, the CQC findings represent a significant weakness in the Trust's arrangements for governance.	The Trust should carry out a detailed review of identified weaknesses and determine, and implement, the actions required to address those weaknesses.

Certificate

We certify that we have completed the audit of York and Scarborough Teaching Hospitals NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Alastair Newall Key Audit Partner For and on behalf of Mazars LLP
One St Peter's Square Manchester
M2 3DE

11 August 2023

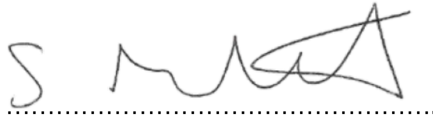
York and Scarborough Teaching Hospitals NHS Foundation Trust

Annual accounts for the year ended 31 March 2023

Foreword to the accounts

York and Scarborough Teaching Hospitals NHS Foundation Trust

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

Signed  ……………………………………………….

Name **Simon Morritt**
Job title **Chief Executive**
Date **28 June 2023**

Consolidated Statement of Comprehensive Income

	Note	Group 2022/23 £000	2021/22 £000
Operating income from patient care activities	3	668,153	585,278
Other operating income	4	79,720	76,487
Operating expenses	7, 9	(729,478)	(654,592)
Operating surplus/(deficit) from continuing operations		**18,395**	**7,173**
Finance income	11	1,027	55
Finance expenses	12	(841)	(461)
PDC dividends payable		(7,885)	(7,107)
Net finance costs		**(7,699)**	**(7,513)**
Other gains / (losses)	13	(14)	(27)
Gains / (losses) arising from transfers by absorption	14	-	1,066
Surplus / (deficit) for the year from continuing operations		**10,682**	**699**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	11,333	(723)
Revaluations	17.1	4,270	8,952
Other reserve movements		(25)	(50)
Total comprehensive income / (expense) for the period		**26,260**	**8,878**
Total comprehensive income/ (expense) for the period attributable to:			
York and Scarborough Teaching Hospitals NHS Foundation Trust		26,260	8,878
TOTAL		**26,260**	**8,878**

Statements of Financial Position

	Note	Group 31 March 2023 £000	Group 31 March 2022 £000	Trust 31 March 2023 £000	Trust 31 March 2022 £000
Non-current assets					
Intangible assets	15	10,741	10,091	10,741	10,091
Property, plant and equipment	17	356,955	278,159	285,285	255,600
Right of use assets	21	30,223	-	30,223	-
Receivables	23	2,531	2,881	2,531	2,881
Receivables relating to subsidiary	23	-	-	99,035	50,747
Total non-current assets		**400,450**	**291,131**	**427,815**	**319,319**
Current assets					
Inventories	22	11,954	11,511	11,066	10,669
Receivables	23	44,732	18,196	37,122	15,975
Recevables relating to subsidiary	23	-	-	5,277	2,537
Cash and cash equivalents	24	50,347	65,366	46,263	63,848
Total current assets		**107,033**	**95,073**	**99,728**	**93,029**
Current liabilities					
Trade and other payables	25	(98,825)	(80,188)	(74,155)	(65,419)
Trade and other payables relating to subsidiary	26.1	-	-	(9,349)	(11,926)
Borrowings	27	(8,698)	(3,444)	(5,269)	(3,379)
Borrowings relating to subsidiary	27	-	-	(8,753)	(2,358)
Provisions	28	(319)	(1,216)	(319)	(1,066)
Other liabilities	26	(2,213)	(1,257)	(2,198)	(1,242)
Total current liabilities		**(110,055)**	**(86,105)**	**(100,043)**	**(85,390)**
Total assets less current liabilities		**397,428**	**300,099**	**427,500**	**326,958**
Non-current liabilities					
Trade and other payables	25	(72)	(72)	(55)	(54)
Borrowings	27	(43,127)	(21,374)	(26,724)	(21,124)
Borrowings relating to subsidiary	27	-	-	(48,481)	(29,025)
Provisions	28	(1,508)	(1,606)	(1,508)	(1,606)
Total non-current liabilities		**(44,707)**	**(23,052)**	**(76,768)**	**(51,809)**
Total assets employed		**352,721**	**277,047**	**350,732**	**275,149**
Financed by					
Public dividend capital		215,650	166,349	215,650	166,349
Revaluation reserve		89,001	73,398	89,001	73,398
Income and expenditure reserve		48,070	37,300	46,081	35,402
Total taxpayers' equity		**352,721**	**277,047**	**350,732**	**275,149**

The notes on pages 169 to 216 form part of these accounts.

Name Simon Morritt

Position Chief Executive

Date **28 June 2023**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**166,349**	**73,398**	**37,300**	**277,047**
Impact of implementing IFRS 16 on 1 April 2022	**-**	**-**	**113**	**113**
Surplus/(deficit) for the year	-	-	10,682	**10,682**
Impairments	-	11,333	-	**11,333**
Revaluations	-	4,270	-	**4,270**
Public dividend capital received	49,301	-	-	**49,301**
Other reserve movements *	-	-	(25)	**(25)**
Taxpayers' and others' equity at 31 March 2023	**215,650**	**89,001**	**48,070**	**352,721**

* Other reserve movement is the profit share paid to Northumbria Healthcare Facilities management Ltd as per the subsidiaries members agreement.

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**142,837**	**65,169**	**36,651**	**244,657**
Surplus/(deficit) for the year	-	-	699	**699**
Impairments	-	(723)	-	**(723)**
Revaluations	-	8,952	-	**8,952**
Public dividend capital received	23,512	-	-	**23,512**
Other reserve movements*	-	-	(50)	**(50)**
Taxpayers' and others' equity at 31 March 2022	**166,349**	**73,398**	**37,300**	**277,047**

* Other reserve movement is the profit share paid to Northumbria Healthcare Facilities management Ltd as per the subsidiaries members agreement.

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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**166,349**	**73,398**	**35,402**	**275,149**
Impact of implementing IFRS 16 on 1 April 2022	-	-	9	**9**
At start of period for new FTs	-	-	-	**-**
Surplus/(deficit) for the year	-	-	8,693	**8,693**
Impairments	-	11,333	-	**11,333**
Revaluations	-	4,270	-	**4,270**
Public dividend capital received	49,301	-	-	**49,301**
Subsidiary Profit Distribution	-	-	1,978	**1,978**
Taxpayers' and others' equity at 31 March 2023	**215,650**	**89,001**	**46,082**	**350,733**

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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**142,837**	**65,169**	**30,099**	**238,105**
At start of period for new FTs	-	-		**-**
Surplus/(deficit) for the year	-	-	2,917	**2,917**
Other transfers between reserves	-	(723)	-	**(723)**
Revaluations	-	8,952	-	**8,952**
Public dividend capital received	23,512	-	-	**23,512**
Subsidiary Profit Distribution	-	-	2,386	**2,386**
Taxpayers' and others' equity at 31 March 2022	**166,349**	**73,398**	**35,402**	**275,149**

Information on reserves

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

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

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

Statements of Cash Flows

	Note	Group 2022/23 £000	Group 2021/22 £000	Trust 2022/23 £000	Trust 2021/22 £000
Cash flows from operating activities					
Operating surplus / (deficit)		18,395	7,173	15,200	8,449
Non-cash income and expense:					
Depreciation and amortisation	7.1	19,507	12,390	19,507	12,390
Net impairments	8	(709)	272	(709)	272
Income recognised in respect of capital donations	4	(10,500)	(1,082)	(10,500)	(1,082)
(Increase) / decrease in receivables relating to subsidiary		-	-	65	63
(Increase) / decrease in receivables and other assets		(26,714)	3,798	(21,103)	3,269
(Increase) / decrease in inventories		(443)	(2,055)	(397)	(1,801)
Increase / (decrease) in payables and other liabilities		19,711	12,021	5,001	18,996
Increase / (decrease) in provisions		(986)	427	(846)	270
Increase / (decrease) in payables relating to subsidiary		-	-	(2,577)	(5,016)
Net cash flows from / (used in) operating activities		**18,261**	**32,944**	**3,641**	**35,810**
Cash flows from investing activities					
Interest received		1,027	55	909	51
Interest received from subsidiary		-	-	2,773	1,748
Purchase of intangible assets		(2,419)	(408)	(2,419)	(408)
Purchase of PPE and investment property		(74,694)	(27,213)	(20,775)	(26,561)
Sales of PPE and investment property		8	-	8	-
Initial direct costs or up front payments in respect of new right of use assets (lessee)		(437)	-	(77)	-
Receipt of cash donations to purchase assets		9,959	575	9,959	575
Net cash flows from / (used in) investing activities		**(66,556)**	**(26,991)**	**(9,622)**	**(24,595)**
Cash flows from financing activities					
Public dividend capital received		49,301	23,512	49,301	23,512
Movement on loans from DHSC		(2,726)	(3,150)	(2,726)	(3,150)
Movement on loans (to) and from subsidiary		-	-	(48,752)	(7,044)
Capital element of lease liability repayments		(4,823)	(63)	(1,548)	-
Interest on loans		(413)	(467)	(413)	(467)
Other interest		(1)	(1)	(1)	7
Interest paid on lease liability repayments		(458)	(17)	(80)	-
Interest on loans to subsidiary		-	-	(1,816)	(814)
PDC dividend (paid) / refunded		(7,579)	(7,647)	(7,579)	(7,647)
Cash flows from (used in) other financing activities		(25)	(50)	2,010	2,386
Net cash flows from / (used in) financing activities		**33,276**	**12,117**	**(11,604)**	**6,783**
Increase / (decrease) in cash and cash equivalents		**(15,019)**	**18,070**	**(17,585)**	**17,998**
Cash and cash equivalents at 1 April - brought forward		**65,366**	**47,296**	**63,848**	**45,850**
Cash and cash equivalents at 31 March	24	**50,347**	**65,366**	**46,263**	**63,848**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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

Accounting convention

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

Note 1.2 Going concern

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

Note 1.3 Consolidation

The Trust, along with Northumbria Healthcare Facilities Management Ltd, incorporated a subsidiary York Teaching Hospital Facilities Management (YTHFM LLP) registered number OC421341 in March 2018 as a limited liability partnership. YTHFM LLP became operational on the 1 October 2018. The primary purpose of the subsidiary is the provision of a fully managed healthcare facility for the Trust's existing infrastructure, including the design, project management and operation of the Trust's capital programme. The income, expenses, assets, liabilities, equity and reserves for the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's. The amounts consolidated for the year ending 31 March 2023 are drawn from the 2022/23 financial statements of YTHFM LLP which operates under the same financial accounting year as the Trust. Northumbria Healthcare Facilities Management Ltd minority interest is not material to the Group's financial statements.

Note 1.4 Revenue from contracts with customers

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

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

Revenue from NHS contracts

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

In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These are termed 'aligned payment and incentive' contracts.

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

Revenue from research contracts

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

NHS injury cost recovery scheme

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

Note 1.5 Other forms of income

Grants and donations

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

Apprenticeship service income

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

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

Alternative pension scheme
York & Scarborough Teaching Hospitals NHS Foundation Trust and its subsidiary offers an alternative pension scheme to all employees who are either not eligible; or choose not, to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

The NEST Pension scheme is a government run scheme with over 720,000 different employers contributing for 7.2m employees, therefore it is not being designed to run in a way that would enable the Group to identify its share of the underlying assets and liabilities.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

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 was carried out as at 31 March 2023 to reflect the changes in building values throughout the year. Where the Trust capitalised new land & building assets, a site valuation was carried out.
Valuations are carried out by professionally qualified valuers, external to the Trust, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. (www.rics.org)

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

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

Assets that have a value of less than £5,000 or have a sufficiently short life of less than one year are expensed through revenue.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

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

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

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

Donated and grant funded assets

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

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

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

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	20	60
Dwellings	15	45
Plant & machinery	5	15
Transport equipment	3	7
Information technology	3	10
Furniture & fittings	5	10

Note 1.9 Intangible assets

Recognition

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

Internally generated intangible assets

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

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

Software

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

Measurement

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

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

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	5	10
Software licences	5	10

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using both the first in, first out (FIFO) method and the weighted average cost method.

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

Note 1.11 Cash and cash equivalents

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

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

Note 1.12 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified 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

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.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

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

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

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

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

Derecognition

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

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

Note 1.13 Leases

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

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

The Trust as a lessee

Recognition and initial measurement

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

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

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

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

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less 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, or where a longer-term lease has no terms that require lease payments to be updaqted for market conditions or there is a significant period between those updates and the fair value or current value in use could flutuate significantely due to changes in market prieces and conditions the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

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

The Trust as a lessor

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

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

Finance leases

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

Operating leases

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

Initial application of IFRS 16

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

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

The Trust as lessee

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

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

The Trust as lessor

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

2021/22 comparatives

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

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

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

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

	Inflation rate	Prior year rate
Year 1	7.40%	4.00%
Year 2	0.60%	2.60%
Into perpetuity	2.00%	2.00%

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 28.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.15 Public dividend capital

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

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

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

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

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

Note 1.16 Value added tax

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

Note 1.17 Corporation tax

The Trust Board has reviewed the commercial activites of the Trust and consideration has been given to the implications of corporation tax. At this stage the Trust Board is satisfied that there are no corporation tax liabilities resulting from non-core activities. The Trust will continue to review commercial services in light of any potential changes in the scope of corporation tax.

York and Scarborough Teaching Hospitals NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1998 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is the power from the Treasury to disapply the exemption in relation to the 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, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum.

Tax to be paid on profits arising from the Trust's subsidiary LLP are a Member's tax liability. Trust income from the LLP has been considered as part of the Trust Board's review of commercial services.

Note 1.18 Foreign exchange

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

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

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

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

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

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments

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

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

Note 1.21 Early adoption of standards, amendments and interpretations

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

Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted

Other standards, amendments and interpretations

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted.

The impact of the standard is still being assessed.

Note 1.23 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

In the course of preparing the annual accounts, the Directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. The Directors have formed the judgement that the Trust has recognised the appropriate level of income due under the terms of the signed contract, and anticipate recovery of outstanding debts.

Segmental Reporting

The Trust has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patients.

Lease and lease back

The substance of a lease involves the transfer of the risks and rewards of ownership. It is the judgment of the Trust that where it acts as both lessor and lessee for underlying assets to which it holds legal title, that, in substance, there has been no transfer of risks and rewards. In such situations the Trust will offset assets and liabilities, as well as income and costs, arising from the contract agreements where the Trust is satisfied that it has a legally enforceable right of offset and intends to settles the assets and liabilities simultaneously.

This judgement has been applied to the lease and lease back agreements entered into by the Trust and its subsidiary entity, YTHFM LLP, in regards to the sites; York Hospital, Scarborough Hospital, Bridlington Hospital and various other Trust infrastructure. The Trust has leased the infrastructure to YTHFM LLP for a period of 25 years commencing on the 1 October 2018, with the permitted use as a hospital or any ancillary use (including educational purposes) as required by the Tenant for the proper performance of its obligations and exercise of its rights under the Master Services Agreement or such other use required for income generation with the prior consent of the Landlord. Such consent should not to be unreasonably withheld or delayed. The leases also contain a provision that prohibits or restricts any disposition.

YTHFM LLP provides infrastructure back to the Trust via its fully managed facilities contract. The linked transactions do not involve a transfer of the risks and rewards of ownership and hence, in the judgement of the Trust, there is, in substance, no lease.

The Trust invoiced the YTHFM LLP for lease charges of £18.723m during the course of the year, the LLP charged the Trust a similar amount as part of its fully managed facilities billing.

IFRS 16 adoption - Accounting policy 1.13

The Trust in adopting and applying the new IFRS 16 lease standard has included all leases that have been judged to meet the standard criteria and therefore are accounted for following the principles of the standard.

The Trust has judged that has it holds no specialised asset leases the cost model is appropriate for valuing its right of use assets leases. In the case of land & building leases, where the Trust holds a peppercorn lease this has been valued based on current market values.

The Trust has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency) by a senior surveyor RICS registered valuer as of 31 March 2022 and 31 March 2021.

The valuation have been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant Department of Health Group Manual for Accounts (DoH GAM) on a Modern equivalent asset basis (MEA). Inherent within valuations are significant judgements relating to MEA valuations in that the two sites are based at alternative locations.

Note 1.24 Sources of estimation uncertainty

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

Provisions - Note 29.1

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

Right of Use assets -Note 21.1-21.8

The Trust when adopting the accounting standard IFRS 16 has had to use in some land & building leases an estimate for the term of the lease. This estimate is based on discussions with the service providers as to how long they will require that asset to be in use.

Valuation of Land & Buildings - Note 1.8 and Note 18.

The Trust has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency) by a senior surveyor RICS registered valuer as of 31 March 2023 and 31 March 2022.

These property valuations and useful lives are based on the Royal Institute of Chartered Surveyors valuation standards insofar as these are consistent with the requirements of HM Treasury and the Department of Health and Social Care

Note 1.25 Contingent liabilities and contingent assets

A contingent liability is:

a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of [the entity], or

a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation, or the amount of the obligation cannot be measured sufficiently reliably.

A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

Note 2 Operating Segments

All income and activities are for the provision of health and health related services in the UK. The Trust reports revenues on a Trust-wide basis in its internal reports and therefore deems there to be a single segment, healthcare.

Note 3 Operating income from patient care activities (Group)

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

Note 3.1 Income from patient care activities (by nature)	**2022/23**	**2021/22**
	£000	**£000**
Acute services		
Income from commissioners under API contracts*	522,075	465,477
High cost drugs income from commissioners (excluding pass-through costs)	63,143	54,911
Other NHS clinical income	2,999	13,086
Community services		
Income from commissioners under API contracts*	22,737	22,310
Income from other sources (e.g. local authorities)	4,796	4,599
All services		
Private patient income	507	319
Elective recovery fund	16,087	7,450
Additional pension contribution central funding**	17,160	15,742
Agenda for change pay offer central funding***	16,381	-
Other clinical income	2,268	1,384
Total income from activities	**668,153**	**585,278**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 National tariff payments system documentation.
https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/

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

***The Agenda for change pay offer central funding represents the non-consolidated lump sum payable to Agenda for change staff in England for the year 2022/23.

Note 3.2 Income from patient care activities (by source)

	2022/23	**2021/22**
Income from patient care activities received from:	**£000**	**£000**
NHS England	115,014	92,748
Clinical commissioning groups	127,050	486,228
Integrated care boards	418,265	-
Other NHS providers	-	3
NHS other	253	-
Local authorities	4,796	4,599
Non-NHS: private patients	507	319
Non-NHS: overseas patients (chargeable to patient)	345	155
Injury cost recovery scheme	1,512	605
Non NHS: other	411	621
Total income from activities	**668,153**	**585,278**
Of which:		
Related to continuing operations	668,153	585,278

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

	2022/23	2021/22
	£000	£000
Income recognised this year	345	155
Cash payments received in-year	136	139
Amounts written off in-year	50	35

Note 4 Other operating income (Group)

	2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	2,618	-	**2,618**	2,441	-	**2,441**
Education and training	25,493	1,144	**26,637**	23,230	1,016	**24,246**
Non-patient care services to other bodies	27,103	-	**27,103**	32,646	-	**32,646**
Reimbursement and top up funding	2,627	-	**2,627**	7,141	-	**7,141**
Income in respect of employee benefits accounted on a gross basis	2,066	-	**2,066**	2,174	-	**2,174**
Receipt of capital grants and donations and peppercorn leases	-	10,500	**10,500**	-	1,082	**1,082**
Charitable and other contributions to expenditure	-	1,446	**1,446**	-	2,411	**2,411**
Revenue from operating leases	-	409	**409**	-	412	**412**
Other income*	6,300	14	**6,314**	3,926	8	**3,934**
Total other operating income	**66,207**	**13,513**	**79,720**	**71,558**	**4,929**	**76,487**
Of which:						
Related to continuing operations			79,720			76,487
Related to discontinued operations			-			-

* Comprises of :	2022/23	2021/22
	£000	£000
Car Parking Income	1,044	858
Catering	1,323	905
Staff accomodation rental	216	212
Other income generation schemes	3,717	1,951
	6,300	**3,926**

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

	2022/23	2021/22
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,214	1,043

Note 5.2 Income from activities arising from commissioner requested services

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

	2022/23	2021/22
	£000	£000
Income from services designated as commissioner requested services	666,170	584,000
Income from services not designated as commissioner requested services	81,703	78,000
Total	**747,873**	**662,000**

Note 6 Operating leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as lessor

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

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

The Trust leases out several demised spaces to other NHS organisations, retail outlets and a small number of external entities on fixed term contracts which are reviewed as per the agreements.

Note 6.1 Operating leases income (Group)

	2022/23	2021/22
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	409	412
Total in-year operating lease income	**409**	**412**

Note 6.2 Future lease receipts (Group)

	31 March 2023
	£000
Future minimum lease receipts due at 31 March 2023:	
- not later than one year	409
- later than one year and not later than two years	409
- later than two years and not later than three years	409
- later than three years and not later than four years	409
- later than four years and not later than five years	407
- later than five years	37
Total	**2,080**

	31 March 2022
	£000
Future minimum lease receipts due at 31 March 2022:	
- not later than one year;	412
- later than one year and not later than five years;	1,903
- later than five years.	124
Total	**2,439**

Note 7.1 Operating expenses (Group)

	2022/23	2021/22
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	781	903
Purchase of healthcare from non-NHS and non-DHSC bodies	6,576	3,528
Staff and executive directors costs	494,105	434,297
Remuneration of non-executive directors	186	170
Supplies and services - clinical (excluding drugs costs)	68,155	62,261
Supplies and services - general	6,852	7,354
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	67,928	66,335
Consultancy costs	107	306
Establishment	4,758	4,921
Premises	23,860	17,810
Transport (including patient travel)	3,944	2,722
Depreciation on property, plant and equipment	17,738	10,874
Amortisation on intangible assets	1,769	1,516
Net impairments	(709)	272
Movement in credit loss allowance: contract receivables / contract assets	(1,038)	134
Increase/(decrease) in other provisions	56	14
Change in provisions discount rate(s)	(84)	(19)
Fees payable to the external auditor		
audit services- statutory audit (inc VAT) for the Trust	90	90
audit services- statutory audit (Excl VAT) for the subsidiary	15	13
Internal audit costs	260	329
Clinical negligence	18,541	18,594
Legal fees	144	152
Insurance	747	721
Research and development	2,848	2,901
Education and training	5,689	4,667
Expenditure on short term leases (current year only)	403	-
Expenditure on low value leases (current year only)	260	-
Operating leases expenditure (comparative only)	-	6,966
Car parking & security	1,045	1,050
Losses, ex gratia & special payments	199	134
Other	4,253	5,577
Total	**729,478**	**654,592**
Of which:		
Related to continuing operations	729,478	654,592
Related to discontinued operations	-	-

Note 7.2 Limitation on auditor's liability (Group)

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

Note 8 Impairment of assets (Group)

	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(709)	272
Total net impairments charged to operating surplus / deficit	**(709)**	**272**
Impairments charged to the revaluation reserve	(11,333)	723
Total net impairments	**(12,042)**	**995**

Note 9 Employee benefits (Group)

	2022/23	2021/22
	Total	Total
	£000	£000
Salaries and wages	380,554	333,340
Social security costs	39,210	33,894
Apprenticeship levy	1,818	1,660
Employer's contributions to NHS pensions	59,161	54,418
Pension cost - other	242	218
Other post employment benefits	-	62
Termination benefits	18	-
Temporary staff (including agency)	20,956	17,592
Total gross staff costs	**501,959**	**441,184**
Recoveries in respect of seconded staff	-	-
Total staff costs	**501,959**	**441,184**
Of which		
Costs capitalised as part of assets	2,097	1,291

Note 9.1 Retirements due to ill-health (Group)

During 2022/23 there were 9 early retirements from the Trust agreed on the grounds of ill-health (11 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £312k (£704k in 2021/22).

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

Note 10 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

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

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

NHS Pensions forecast pensions contributions for 2023/24 are £57.7m

c) Alternative pension scheme

York and Scarborough Teaching Hospitals NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible or choose not to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

YTHFM LLP

A number of the YTHFM LLP employees remain within the NHS Pension Scheme, however YTHFM LLP also operates a NEST pension scheme for those employees not eligible to join the NHS Pension Scheme. Employee and Employer contributions mirror that of the NHS Pension Scheme as closely as possible, in that employer contributions are capped at 14%, the maximum amount that can be paid into the NEST scheme.

Please see Note 8 Employee Benefits - Pension costs - other for the in year cost to the Group.

Note 11 Finance income (Group)

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

	2022/23	2021/22
	£000	£000
Interest on bank accounts	1,027	55
Total finance income	**1,027**	**55**

Note 12.1 Finance expenditure (Group)

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

	2022/23	2021/22
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	391	455
Interest on lease obligations	458	12
Interest on late payment of commercial debt	1	1
Total interest expense	**850**	**468**
Unwinding of discount on provisions	(9)	(7)
Total finance costs	**841**	**461**

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2022/23	2021/22
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	1	1

Note 13 Other gains / (losses) (Group)

	2022/23	2021/22
	£000	£000
Gains on disposal of assets	8	-
Losses on disposal of assets	(22)	(27)
Total gains / (losses) on disposal of assets	**(14)**	**(27)**

Note 14 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust can omit the Individual profit and loss account for the parent organisation where group accounts are prepared and the organisations individual balance sheet shows the organisations surplus/ deficit for the financial year and where the the SOCI is approved in accordance with section 414 (1) (approval by directors). This exemption applies and the Trust's surplus/(defict) and total comprehensive income/(expense) for the period is as per the table below:-

	2022/23	2021/22
	£000	£000
Total Trust Comprehensive Income	740,110	656,976
Total Trust Comprehensive Expense	(724,910)	(648,527)
Operating surplus/(deficit) from continuing operations	**15,200**	**8,449**
Net Finance Costs	(6,492)	(6,571)
Other gains/losses	(14)	(27)
Gains/(losses arising from transfers by absorption	-	1,066
Surplus / (deficit) for the year from continuing operations	**8,694**	**2,917**

Note 15 Intangible assets - 2022/23

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**15,557**	**792**	**16,349**
Additions	2,419	-	**2,419**
Valuation / gross cost at 31 March 2023	**17,976**	**792**	**18,768**
Amortisation at 1 April 2022 - brought forward	**5,962**	**296**	**6,258**
Provided during the year	1,690	79	**1,769**
Amortisation at 31 March 2023	**7,652**	**375**	**8,027**
Net book value at 31 March 2023	**10,324**	**417**	**10,741**
Net book value at 1 April 2022	**9,595**	**496**	**10,091**

Note 15.1 Intangible assets - 2021/22

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**14,178**	**792**	**14,970**
Transfers by absorption	109	-	**109**
Additions	408	-	**408**
Reclassifications	862	-	**862**
Valuation / gross cost at 31 March 2022	**15,557**	**792**	**16,349**
Amortisation at 1 April 2021 - as previously stated	**4,463**	**217**	**4,680**
Transfers by absorption	62	-	**62**
Provided during the year	1,437	79	**1,516**
Amortisation at 31 March 2022	**5,962**	**296**	**6,258**
Net book value at 31 March 2022	**9,595**	**496**	**10,091**
Net book value at 1 April 2021	**9,715**	**575**	**10,290**

Note 16.1 Intangible assets - 2022/23

Trust	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**15,557**	**792**	**16,349**
Additions	2,419		**2,419**
Valuation / gross cost at 31 March 2023	**17,976**	**792**	**18,768**
Amortisation at 1 April 2022 - brought forward	**5,962**	**296**	**6,258**
Provided during the year	1,690	79	**1,769**
Amortisation at 31 March 2023	**7,652**	**375**	**8,027**
Net book value at 31 March 2023	**10,324**	**417**	**10,741**
Net book value at 1 April 2022	**9,595**	**496**	**10,091**

Note 16.2 Intangible assets - 2021/22

Trust	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**14,178**	**792**	**14,970**
Transfers by absorption	109	-	**109**
Additions	508	-	**508**
Reclassifications	762	-	**762**
Valuation / gross cost at 31 March 2022	**15,557**	**792**	**16,349**
Amortisation at 1 April 2021 - as previously stated	**4,463**	**217**	**4,680**
Transfers by absorption	62	-	**62**
Provided during the year	1,437	79	**1,516**
Amortisation at 31 March 2022	**5,962**	**296**	**6,258**
Net book value at 31 March 2022	**9,595**	**496**	**10,091**
Net book value at 1 April 2021	**9,715**	**575**	**10,290**

Note 17.1 Property, plant and equipment - 2022/23

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	**13,730**	**206,560**	**1,671**	**26,992**	**41,155**	**827**	**26,535**	**9**	**317,479**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(466)	-	-	-	**(466)**
Additions	-	3,455	-	70,832	800	-	30	-	**75,117**
Impairments	(610)	(631)	-	-	-	-	-	-	**(1,241)**
Reversals of impairments	686	11,661	102	-	-	-	-	-	**12,449**
Revaluations	308	(2,577)	8	-	-	-	-	-	**(2,261)**
Reclassifications	-	5,488	-	(11,208)	1,920	31	2,950	819	**-**
Disposals / derecognition	-	-	-	-	(1,582)	(26)	-	-	**(1,608)**
Valuation/gross cost at 31 March 2023	**14,114**	**223,956**	**1,781**	**86,616**	**41,827**	**832**	**29,515**	**828**	**399,469**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**2,489**	**-**	**-**	**22,576**	**506**	**13,740**	**9**	**39,320**
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(147)	-	-	-	**(147)**
Provided during the year	-	7,303	84	-	2,706	103	2,078	18	**12,292**
Impairments	-	1,693	-	-	-	-	-	-	**1,693**
Reversals of impairments	-	(2,527)	-	-	-	-	-	-	**(2,527)**
Revaluations	-	(6,447)	(84)	-	-	-	-	-	**(6,531)**
Disposals / derecognition	-	-	-	-	(1,560)	(26)	-	-	**(1,586)**
Accumulated depreciation at 31 March 2023	**-**	**2,511**	**-**	**-**	**23,575**	**583**	**15,818**	**27**	**42,514**
Net book value at 31 March 2023	**14,114**	**221,445**	**1,781**	**86,616**	**18,252**	**249**	**13,697**	**801**	**356,955**
Net book value at 1 April 2022	**13,730**	**204,071**	**1,671**	**26,992**	**18,579**	**321**	**12,795**	**-**	**278,159**

Note 17.2 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**13,516**	**195,962**	**1,537**	**15,447**	**32,110**	**827**	**20,850**	**35**	**280,284**
Transfers by absorption	-	-	-	-	1,994	-	258	-	**2,252**
Additions	-	837	-	32,109	707	-	2,425	-	**36,078**
Impairments	-	(4,144)	(10)	-	-	-	-	-	**(4,154)**
Reversals of impairments	35	1,394	-	-	-	-	-	-	**1,429**
Revaluations	179	3,457	117	-	-	-	-	-	**3,753**
Reclassifications	-	9,054	27	(20,564)	7,619	-	3,002	-	**(862)**
Disposals / derecognition	-	-	-	-	(1,275)	-	-	(26)	**(1,301)**
Valuation/gross cost at 31 March 2022	**13,730**	**206,560**	**1,671**	**26,992**	**41,155**	**827**	**26,535**	**9**	**317,479**
Accumulated depreciation at 1 April 2021 - as previously stated	**-**	**2,431**	**-**	**-**	**20,608**	**403**	**11,939**	**35**	**35,416**
Transfers by absorption	-	-	-	-	1,041	-	192	-	**1,233**
Provided during the year	-	6,910	77	-	2,175	103	1,609	-	**10,874**
Impairments	-	(335)	-	-	-	-	-	-	**(335)**
Reversals of impairments	-	(1,388)	(7)	-	-	-	-	-	**(1,395)**
Revaluations	-	(5,129)	(70)	-	-	-	-	-	**(5,199)**
Disposals / derecognition	-	-	-	-	(1,248)	-	-	(26)	**(1,274)**
Accumulated depreciation at 31 March 2022	**-**	**2,489**	**-**	**-**	**22,576**	**506**	**13,740**	**9**	**39,320**
Net book value at 31 March 2022	**13,730**	**204,071**	**1,671**	**26,992**	**18,579**	**321**	**12,795**	**-**	**278,159**
Net book value at 1 April 2021	**13,516**	**193,531**	**1,537**	**15,447**	**11,502**	**424**	**8,911**	**-**	**244,868**

Note 17.3 Property, plant and equipment financing - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	14,114	213,476	1,781	86,616	16,063	127	13,697	801	**346,675**
Owned - donated/granted	-	7,969	-	-	2,189	122	-	-	**10,280**
NBV total at 31 March 2023	**14,114**	**221,445**	**1,781**	**86,616**	**18,252**	**249**	**13,697**	**801**	**356,955**

Note 17.4 Property, plant and equipment financing - 31 March 2022

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	13,730	199,934	1,671	26,992	16,381	117	12,795	-	**271,620**
Finance leased	-	-	-	-	319	-	-	-	**319**
Owned - donated/granted	-	4,137	-	-	1,879	204	-	-	**6,220**
NBV total at 31 March 2022	**13,730**	**204,071**	**1,671**	**26,992**	**18,579**	**321**	**12,795**	**-**	**278,159**

Note 17.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	-	-	-	-	-	-	-	**-**
Not subject to an operating lease	14,114	221,445	1,781	86,616	18,252	249	13,697	801	**356,955**
NBV total at 31 March 2023	**14,114**	**221,445**	**1,781**	**86,616**	**18,252**	**249**	**13,697**	**801**	**356,955**

Note 18.1 Property, plant and equipment - 2022/23

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	**13,730**	**206,560**	**1,671**	**4,434**	**41,155**	**827**	**26,534**	**9**	**294,920**
IFRS 16 implementation - reclassification of existing leased assets to right of use assets	-	-	-	-	(466)	-	-	-	**(466)**
Additions	-	8,135	-	14,229	2,720	31	74	818	**26,007**
Impairments	(610)	(631)	-	-	-	-	-	-	**(1,241)**
Reversals of impairments	686	11,660	102	-	-	-	-	-	**12,448**
Revaluations	308	(2,577)	8	-	-	-	-	-	**(2,261)**
Reclassifications	-	808	-	(3,714)	-	-	2,906	-	**-**
Disposals / derecognition	-	-	-	-	(1,582)	(26)	-	-	**(1,608)**
Valuation/gross cost at 31 March 2023	**14,114**	**223,955**	**1,781**	**14,949**	**41,827**	**832**	**29,514**	**827**	**327,799**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**2,490**	**-**	**-**	**22,576**	**506**	**13,739**	**9**	**39,320**
IFRS 16 implementation - reclassification of existing leased assets to right of use assets	-	-	-	-	(147)	-	-	-	**(147)**
Provided during the year	-	7,303	84	-	2,706	103	2,078	18	**12,292**
Impairments	-	1,693	-	-	-	-	-	-	**1,693**
Reversals of impairments	-	(2,527)	-	-	-	-	-	-	**(2,527)**
Revaluations	-	(6,447)	(84)	-	-	-	-	-	**(6,531)**
Disposals / derecognition	-	-	-	-	(1,560)	(26)	-	-	**(1,586)**
Accumulated depreciation at 31 March 2023	**-**	**2,512**	**-**	**-**	**23,575**	**583**	**15,817**	**27**	**42,514**
Net book value at 31 March 2023	**14,114**	**221,443**	**1,781**	**14,949**	**18,252**	**249**	**13,697**	**800**	**285,285**
Net book value at 1 April 2022	**13,730**	**204,070**	**1,671**	**4,434**	**18,579**	**321**	**12,795**	**-**	**255,600**

Note 18.2 Property, plant and equipment - 2021/22

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**13,516**	**195,969**	**1,537**	**1,899**	**32,104**	**827**	**20,849**	**35**	**266,736**
Valuation / gross cost at 1 April 2021 - restated	**13,516**	**195,969**	**1,537**	**1,899**	**32,104**	**827**	**20,849**	**35**	**266,736**
Transfers by absorption	-	-	-	-	1,994	-	258	-	**2,252**
Additions	-	9,150	27	7,033	8,332	-	2,425	-	**26,967**
Impairments	-	(4,144)	(10)	-	-	-	-	-	**(4,154)**
Reversals of impairments	35	1,394	-	-	-	-	-	-	**1,429**
Revaluations	179	3,457	117	-	-	-	-	-	**3,753**
Reclassifications	-	734	-	(4,498)	-	-	3,002	-	**(762)**
Disposals / derecognition	-	-	-	-	(1,275)	-	-	(26)	**(1,301)**
Valuation/gross cost at 31 March 2022	**13,730**	**206,560**	**1,671**	**4,434**	**41,155**	**827**	**26,534**	**9**	**294,920**
Accumulated depreciation at 1 April 2021 - as previously stated	**-**	**2,438**	**-**	**-**	**20,602**	**403**	**11,938**	**35**	**35,416**
Prior period adjustments									**-**
Accumulated depreciation at 1 April 2021 - restated	**-**	**2,438**	**-**	**-**	**20,602**	**403**	**11,938**	**35**	**35,416**
Transfers by absorption	-	-	-	-	1,041	-	192	-	**1,233**
Provided during the year	-	6,904	77	-	2,181	103	1,609	-	**10,874**
Impairments	-	(335)	-	-	-	-	-	-	**(335)**
Reversals of impairments	-	(1,388)	(7)	-	-	-	-	-	**(1,395)**
Revaluations	-	(5,129)	(70)	-	-	-	-	-	**(5,199)**
Disposals / derecognition	-	-	-	-	(1,248)	-	-	(26)	**(1,274)**
Accumulated depreciation at 31 March 2022	**-**	**2,490**	**-**	**-**	**22,576**	**506**	**13,739**	**9**	**39,320**
Net book value at 31 March 2022	**13,730**	**204,070**	**1,671**	**4,434**	**18,579**	**321**	**12,795**	**-**	**255,600**
Net book value at 1 April 2021	**13,516**	**193,531**	**1,537**	**1,899**	**11,502**	**424**	**8,911**	**-**	**231,320**

Note 18.3 Property, plant and equipment financing - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	14,114	213,474	1,781	14,949	16,063	127	13,697	800	**275,005**
Owned - donated / granted	-	7,969	-	-	2,189	122	-	-	**10,280**
Total net book value at 31 March 2023	**14,114**	**221,443**	**1,781**	**14,949**	**18,252**	**249**	**13,697**	**800**	**285,285**

Note 18.4 Property, plant and equipment financing - 31 March 2022

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	13,730	199,933	1,671	4,434	16,381	117	12,795	-	**249,061**
Finance leased	-	-	-	-	319	-	-	-	**319**
Owned - donated / granted	-	4,137	-	-	1,879	204	-	-	**6,220**
Total net book value at 31 March 2022	**13,730**	**204,070**	**1,671**	**4,434**	**18,579**	**321**	**12,795**	**-**	**255,600**

Note 18.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	-	-	-	-	-	-	-	**-**
Not subject to an operating lease	14,114	221,443	1,781	14,949	18,252	249	13,697	800	**285,285**
Total net book value at 31 March 2023	**14,114**	**221,443**	**1,781**	**14,949**	**18,252**	**249**	**13,697**	**800**	**285,285**

Note 19 Donations of property, plant and equipment

The Trust received £1.427m of donated assets in 2022/23. This consisted of cash donations to purchase medical equipment and fund minor capital schemes and included £541k of donated equipment from Department of Health and Social Care as part of the Coronavirus Pandemic response.
In 2021/22 the Trust received £1.082m of donated assets.

Note 20 Revaluations of property, plant and equipment

In 2022/23 the Trust's Estate was revalued by a RICS registered surveyor via the District Valuers Office as of 31 March 2023. The valuation was in line with the Trust's accounting policy note 1.8

Note 21 Leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust operates as both a lessor and lessee :-

The Trust provides various land and buildings as a lessor to other NHS organisations for the provision of services outside the scope of services the Trust provides. Various space is leased to retail organisations mainly to provide services to our patients and staff.

As a lessee the Trust provides accomodation for HYMS students plus various building including parts of the Community Stadium and medical equipment for the provision of healthcare services.

The Group's transport department leases various vans and transport vehicles and the Trust's fleet of pool cars are also provided through a lease contract.

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.

Note 21.1 Right of use assets - 2022/23

Group	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	466	-	-	**466**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	14,745	6,504	248	-	**21,497**	6,982
Additions	6,540	4,817	187	2,261	**13,805**	12
Remeasurements of the lease liability	-	48	-	-	**48**	-
Disposals / derecognition	(64)	(114)	-	-	**(178)**	-
Valuation/gross cost at 31 March 2023	**21,221**	**11,721**	**435**	**2,261**	**35,638**	**6,994**
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	147	-	-	**147**	-
Provided during the year	2,365	2,687	168	226	**5,446**	814
Disposals / derecognition	(64)	(114)	-	-	**(178)**	-
Accumulated depreciation at 31 March 2023	**2,301**	**2,720**	**168**	**226**	**5,415**	**814**
Net book value at 31 March 2023	**18,920**	**9,001**	**267**	**2,035**	**30,223**	**6,180**

Net book value of right of use assets leased from other NHS providers	1,947
Net book value of right of use assets leased from other DHSC group bodies	4,233

Note 21.2 Right of use assets - 2022/23

Trust	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	466	-	-	**466**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	14,745	6,504	248	-	**21,497**	6,982
Additions	6,540	4,817	187	2,261	**13,805**	12
Remeasurements of the lease liability	-	48	-	-	**48**	-
Disposals / derecognition	(64)	(114)	-	-	**(178)**	-
Valuation/gross cost at 31 March 2023	**21,221**	**11,721**	**435**	**2,261**	**35,638**	**6,994**
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	147	-	-	**147**	-
Provided during the year	2,365	2,687	168	226	**5,446**	814
Disposals / derecognition	(64)	(114)	-	-	**(178)**	-
Accumulated depreciation at 31 March 2023	**2,301**	**2,720**	**168**	**226**	**5,415**	**814**
Net book value at 31 March 2023	**18,920**	**9,001**	**267**	**2,035**	**30,223**	**6,180**

Net book value of right of use assets leased from other NHS providers	1,947
Net book value of right of use assets leased from other DHSC group bodies	4,233

Note 21.3 Revaluations of right of use assets

In accordance with the GAM, the Trust has employed the cost model rather than a revaluation model for right of use assets.
The Trust has determined that the cost model provides an appropriate proxy to the current value in use or fair value, due to;
- Material leases relating to property , contain regular rent reviews to reflect market conditions
- The risk that fair value of equipment and vehicle leases fluctuating is deemed to be low.

Note 21.4 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 27.

	Group 2022/23 £000	Trust 2022/23 £000
Carrying value at 31 March 2022	**315**	**-**
IFRS 16 implementation - adjustments for existing operating leases	21,162	13,278
Lease additions	13,368	2,846
Lease liability remeasurements	48	-
Interest charge arising in year	458	80
Early terminations - Lease novated to Subsidiary	-	(4,338)
Lease payments (cash outflows)	(5,281)	(1,628)
Carrying value at 31 March 2023	**30,070**	**10,238**

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 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 21.5 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	**Total**	Of which leased from DHSC group bodies:
	31 March 2023 £000	**31 March 2023 £000**	**31 March 2023 £000**	**31 March 2023 £000**
Undiscounted future lease payments payable in:				
- not later than one year;	6,309	834	2,097	664
- later than one year and not later than five years;	15,577	3,077	6,017	2,415
- later than five years.	12,425	2,684	2,382	1,697
Total gross future lease payments	**34,311**	**6,595**	**10,496**	**4,776**
Finance charges allocated to future periods	(4,241)	(488)	(258)	(170)
Net lease liabilities at 31 March 2023	**30,070**	**6,107**	**10,238**	**4,606**
Of which:				
- Current	5,761	777	2,029	624
- Non-Current	24,309	5,330	8,212	3,982

Note 21.6 Maturity analysis of finance lease liabilities at 31 March 2022 (IAS 17 basis)

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

As the finance leases was held by the Trust's subsidiary company there are no figures to report by the Trust only the Group.

	Group
	31 March 2022
	£000
Undiscounted future lease payments payable in:	
- not later than one year;	75
- later than one year and not later than five years;	267
- later than five years.	-
Total gross future lease payments	**342**
Finance charges allocated to future periods	(27)
Net finance lease liabilities at 31 March 2022	**315**
of which payable:	
- not later than one year;	65
- later than one year and not later than five years;	250
- later than five years.	-
Total of future minimum sublease payments to be received at the reporting date	25

Note 21.7 Commitments in respect of operating leases at 31 March 2022 (IAS 17 basis)

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

	Group	Trust
	2021/22	2021/22
	£000	£000
Operating lease expense		
Minimum lease payments	6,966	2,252
Total	**6,966**	**2,252**

	31 March 2022	31 March 2022
	£000	£000
Future minimum lease payments due:		
- not later than one year;	5,933	2,081
- later than one year and not later than five years;	14,203	7,004
- later than five years.	7,433	6,308
Total	**27,569**	**15,393**
Future minimum sublease payments to be received	-	-

Note 21.8 Initial application of IFRS 16 on 1 April 2022

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

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

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

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

	Group 1 April 2022 £000	Trust 1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**27,569**	**15,393**
Impact of discounting at the incremental borrowing rate	**(6,984)**	**(5,179)**
IAS 17 operating lease commitment discounted at incremental borrowing rate	**20,585**	**10,214**
Less:		
Commitments for short term leases	(119)	(22)
Commitments for leases of low value assets	(1,279)	-
Commitments for leases that had not commenced as at 31 March 2022	(77)	-
Irrecoverable VAT previously included in IAS 17 commitment	(672)	(672)
Services included in IAS 17 commitment not included in the IFRS 16 liability	(39)	(9)
Other adjustments:		
Public sector leases without full documentation previously excluded from operating lease commitments	3,468	3,468
Finance lease liabilities under IAS 17 as at 31 March 2022	315	-
Other adjustments	(705)	299
Total lease liabilities under IFRS 16 as at 1 April 2022	**21,477**	**13,278**

Note 22 Inventories

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Drugs	4,505	4,122	4,504	4,122
Consumables	7,247	7,254	6,562	6,547
Energy	202	135	-	-
Total inventories	**11,954**	**11,511**	**11,066**	**10,669**
of which:				
Held at fair value less costs to sell	-	-		

Inventories recognised in expenses for the year were £76,113k (2021/22: £74,424k). Write-down of inventories recognised as expenses for the year were £0k (2021/22: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2022/23 the Trust received £1,151k of items purchased by DHSC (2021/22: £1,723k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 23 Receivables

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Contract receivables	34,988	13,035	32,629	12,303
Allowance for impaired contract receivables / as	(485)	(1,546)	(486)	(1,515)
Prepayments (non-PFI)	3,686	2,633	1,831	1,227
PDC dividend receivable	129	435	129	435
VAT receivable	3,950	2,325	710	2,349
Other receivables	2,464	1,314	2,309	1,176
Receivables relating to the subsidiary	-	-	5,277	2,537
Total current receivables	**44,732**	**18,196**	**42,399**	**18,512**
Non-current				
Contract receivables	761	658	761	657
Allowance for impaired contract receivables / as	(71)	(156)	(71)	(156)
Receivables relating to subsidiary	-	-	99,035	50,747
VAT receivable	821	1,377	821	1,378
Other receivables	1,020	1,002	1,020	1,002
Total non-current receivables	**2,531**	**2,881**	**101,566**	**53,628**
Of which receivable from NHS and DHSC group bodies:				
Current	26,620	7,332		
Non-current	1,020	1,002		

Note 23.1 Allowances for credit losses - 2022/23

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2022 - brought forward	**1,702**	**1,671**
New allowances arising	34	34
Changes in existing allowances	(435)	(435)
Reversals of allowances	(637)	(605)
Utilisation of allowances (write offs)	(108)	(108)
Allowances as at 31 Mar 2023	**556**	**557**

Note 23.2 Allowances for credit losses - 2021/22

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2021 - as previously stated	**1,732**	**1,652**
New allowances arising	364	281
Reversals of allowances	(230)	(108)
Utilisation of allowances (write offs)	(164)	(154)
Allowances as at 31 Mar 2022	**1,702**	**1,671**

Note 24 Cash and cash equivalents movements

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

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
At 1 April	**65,366**	**47,296**	**63,848**	**45,850**
Net change in year	(15,019)	18,070	(13,501)	17,998
At 31 March	**50,347**	**65,366**	**50,347**	**63,848**
Broken down into:				
Cash at commercial banks and in hand	471	296	459	274
Cash with the Government Banking Service	49,876	65,070	45,804	63,574
Total cash and cash equivalents as in SoFP	**50,347**	**65,366**	**46,263**	**63,848**
Total cash and cash equivalents as in SoCF	**50,347**	**65,366**	**46,263**	**63,848**

Note 24.1 Third party assets held by the Trust

York and Scarborough Teaching Hospitals 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.

	Group and Trust	
	31 March 2023	31 March 2022
	£000	£000
Bank balances	4	5
Total third party assets	**4**	**5**

Note 25.1 Trade and other payables

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Trade payables	16,349	7,183	7,478	5,897
Capital payables	18,054	18,172	10,036	5,345
Accruals	43,716	33,873	37,192	34,288
Receipts in advance and payments on account	107	762	104	759
Social security costs	10,090	9,356	9,674	8,969
Payables relating to subsidiary	-	-	9,349	11,926
Other taxes payable	159	146	149	137
Pension contributions payable	5,775	5,422	5,423	5,099
Other payables	4,575	5,274	4,099	4,925
Total current trade and other payables	**98,825**	**80,188**	**83,504**	**77,345**
Non-current				
Trade payables	72	72	55	54
Total non-current trade and other payables	**72**	**72**	**55**	**54**
Of which payables from NHS and DHSC group bodies:				
Current	3,513	5,180	2,912	5,180

Note 26 Other liabilities

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	2,213	1,257	2,198	1,242
Total other current liabilities	**2,213**	**1,257**	**2,198**	**1,242**

Note 27 Borrowings

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Loans from DHSC	2,937	3,379	2,937	3,379
Loans from subsidiary	-	-	8,754	2,358
Lease liabilities*	5,761	65	2,332	-
Total current borrowings	**8,698**	**3,444**	**14,023**	**5,737**
Non-current				
Loans from DHSC	18,818	21,124	18,818	21,124
Loans from subsidiary	-	-	48,481	29,025
Lease liabilities*	24,309	250	7,906	-
Total non-current borrowings	**43,127**	**21,374**	**75,205**	**50,149**

* The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in accounting policy can be found in note 21.

Note 27.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2022/23	Loans from DHSC	Lease Liabilities	Total
	£000	£000	£000
Carrying value at 1 April 2022	**24,503**	**315**	**24,818**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,726)	(4,823)	**(7,549)**
Financing cash flows - payments of interest	(413)	(458)	**(871)**
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	21,162	**21,162**
Additions	-	13,368	**13,368**
Lease liability remeasurements	-	48	**48**
Application of effective interest rate	391	458	**849**
Carrying value at 31 March 2023	**21,755**	**30,070**	**51,825**

Group - 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2021	**27,665**	**383**	**28,048**
Cash movements:			
Financing cash flows - payments and receipts of principal	(3,150)	(63)	**(3,213)**
Financing cash flows - payments of interest	(467)	(17)	**(484)**
Non-cash movements:			
Application of effective interest rate	455	12	**467**
Carrying value at 31 March 2022	**24,503**	**315**	**24,818**

Note 27.2 Reconciliation of liabilities arising from financing activities

Trust - 2022/23	Loans from DHSC	Loans from subsidiary	Lease Liabilities	Total
	£000	£000	£000	£000
Carrying value at 1 April 2022	**24,503**	**31,383**	**-**	**55,886**
Cash movements:				
Financing cash flows - payments and receipts of principal	(2,726)	(5,237)	(1,548)	**(9,511)**
Financing cash flows - payments of interest	(413)	(1,816)	(80)	**(2,309)**
Non-cash movements:				
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	7,030	13,278	**20,308**
Additions	-	24,058	2,846	**26,904**
Application of effective interest rate	391	1,816	80	**2,287**
Early terminations - Lease novated to Subsidiary	-		(4,338)	**(4,338)**
Carrying value at 31 March 2023	**21,755**	**57,234**	**10,238**	**89,227**

Trust - 2021/22	Loans from DHSC	Loans from subsidiary	Finance leases	Total
	£000	£000	£000	£000
Carrying value at 1 April 2021	**27,665**	**25,250**	**-**	**52,915**
Cash movements:				
Financing cash flows - payments and receipts of principal	(3,150)	(2,640)	-	**(5,790)**
Financing cash flows - payments of interest	(467)	-	-	**(467)**
Non-cash movements:				
Additions	-	8,773	-	**8,773**
Application of effective interest rate	455	-	-	**455**
Carrying value at 31 March 2022	**24,503**	**31,383**	**-**	**55,886**

Note 28 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2022	**480**	**209**	**262**	**1,871**	**2,822**
Change in the discount rate	(51)	(33)	-	(911)	**(995)**
Arising during the year	47	17	107	929	**1,100**
Utilised during the year	(67)	(19)	-	(13)	**(99)**
Reversed unused	(1)	-	(150)	(862)	**(1,013)**
Unwinding of discount	(6)	(3)	-	21	**12**
At 31 March 2023	**402**	**171**	**219**	**1,035**	**1,827**
Expected timing of cash flows:					
- not later than one year;	66	19	219	15	**319**
- later than one year and not later than five years;	244	72	-	69	**385**
- later than five years.	92	80	-	951	**1,123**
Total	**402**	**171**	**219**	**1,035**	**1,827**

The amounts detailed in the category 'Other' above are Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in 2019/20 tax year, potentially face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold. NHS England and the Government have committed to fund the payments to clinicians as and when they arise.

This statement provides NHS England's updated calculation for provision liabilities arising from the 2019/20 clinicians' pensions compensation scheme for the Trust. These figures use the latest available information on actual uptake of the scheme. They are derived from combining information on applications to join the 2019/20 scheme under the policy, together with information in the scheme pays election form where present, and with averages assumed where these forms are absent or clearly an estimate (values less than £100). Future liabilities based on individual member data and scheme rules are then discounted to give totals for the Trust.

Legal claims relate to outstanding claims that are being handled by NHS Resolution where they have advised that it is likely that the Trust will have to pay the excess relevant for the claim.

Note 28.1 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2022	**480**	**209**	**112**	**1,871**	**2,672**
Change in the discount rate	(51)	(33)	-	-	**(84)**
Arising during the year	47	17	107	26	**197**
Utilised during the year	(67)	(19)	-	-	**(86)**
Reversed unused	(1)	-	-	(862)	**(863)**
Unwinding of discount	(6)	(3)	-	-	**(9)**
At 31 March 2023	**402**	**171**	**219**	**1,035**	**1,827**
Expected timing of cash flows:					
- not later than one year;	66	19	219	15	**319**
- later than one year and not later than five years;	244	72	-	69	**385**
- later than five years.	92	80	-	951	**1,123**
Total	**402**	**171**	**219**	**1,035**	**1,827**

Please see above for the details of the Trusts provisions.

Note 28.2 Clinical negligence liabilities

At 31 March 2023, £245,152k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of York and Scarborough Teaching Hospitals NHS Foundation Trust (31 March 2022: £384,473k).

Note 29 Contingent assets and liabilities

On the 31 March 2023 The Group held no contingent assets or liabilities. There were no contingent assets or liabilities in the prior year to 31st March 2022.

Note 30 Contractual capital commitments

	Group		Trust	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	£000	**£000**	**£000**	**£000**
Property, plant and equipment	10,851	49,171	10,851	49,171
Total	**10,851**	**49,171**	**10,851**	**49,171**

Note 31 Financial instruments

Note Financial risk management

IFRS 7 regarding Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the continuing service provider relationship that the Trust has with the Integrated Care Board and the way those ICBs are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply.

Liquidity Risk

No liquidity risks applies to the Trust.

Interest Rate Risk

The Trust's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, the Trust is not exposed to significant interest-rate risk.

Credit Risk

The risk that one party will cause a financial loss for the other party by failing to discharge an obligation.
The Trust receives the majority of its income from Integrated Care Board and Statutory bodies and so the credit risk is negligible. The Trust's treasury management policy minimises the risk of loss of cash invested by limiting its investments to:-
- the government banking service and the National Loans Fund
- Banks registered directly regulated by the PRA (Prudential Regulation Authority)

Foreign Currency Risk

The Trust carries out a minimal amount of foreign currency trading therefore the foreign currency risk is negligible

Market Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.
Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.
With the exception of cash balances, the Trust's financial assets and financial liabilities carry nil or fixed rates of interest. The Trust monitors the risk but does not consider it appropriate to purchase protection against it.
The Trust is not materially exposed to any price risks through contractual arrangements.

Note 31.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	38,642	**38,642**
Cash and cash equivalents	50,347	**50,347**
Total at 31 March 2023	**88,989**	**88,989**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	14,307	**14,307**
Cash and cash equivalents	65,366	**65,366**
Total at 31 March 2022	**79,673**	**79,673**

Note 31.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	36,161	**36,161**
Receivables relating to subsidiary	104,312	**104,312**
Cash and cash equivalents	46,263	**46,263**
Total at 31 March 2023	**186,736**	**186,736**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	13,467	**13,467**
Receivables relating to subsidiary	53,284	**53,284**
Cash and cash equivalents	63,848	**63,848**
Total at 31 March 2022	**130,599**	**130,599**

Note 31.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	21,755	**21,755**
Obligations under leases	30,070	**30,070**
Trade and other payables excluding non financial liabilities	88,539	**88,539**
Total at 31 March 2023	**140,364**	**140,364**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,503	**24,503**
Obligations under finance leases	315	**315**
Trade and other payables excluding non financial liabilities	69,996	**69,996**
Total at 31 March 2022	**94,814**	**94,814**

Note 31.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	21,756	**21,756**
Obligations under leases	10,238	**10,238**
Trade and other payables relating to subsidiary	66,583	**66,583**
Trade and other payables excluding non financial liabilities	64,283	**64,283**
Total at 31 March 2023	**162,860**	**162,860**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,503	**24,503**
Trade and other payables relating to subsidiary	43,309	**43,309**
Trade and other payables excluding non financial liabilities	55,608	**55,608**
Total at 31 March 2022	**123,420**	**123,420**

Note 31.6 Fair values of financial assets and liabilities

The Trust has carried all financial assets and financial liabilities at amortised cost for the year 2022/23. Due to the nature of the assets and liabilities management consider that the carrying value is a reasonable approximation of the fair value.

Note 31.7 Maturity of financial liabilities

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

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
In one year or less	97,936	73,637	90,409	74,923
In more than one year but not more than five years	22,345	8,606	48,100	25,667
In more than five years	26,632	15,295	77,717	52,547
Total	**146,913**	**97,538**	**216,226**	**153,137**

Note 32 Losses and special payments

	2022/23		2021/22	
Group and trust	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	18	3	17	-
Bad debts and claims abandoned	17	109	47	50
Total losses	**35**	**112**	**64**	**50**
Special payments				
Ex-gratia payments	79	328	89	84
Total special payments	**79**	**328**	**89**	**84**
Total losses and special payments	**114**	**440**	**153**	**134**
Compensation payments received				

Note 33 Related parties

York and Scarborough Teaching Hospitals NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.
During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York and Scarborough Teaching Hospitals NHS Foundation Trust.

The Department of Health is regarded as a related party. During the year York and Scarborough Teaching Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

In addition, the Trust has had a number of material transactions with other English government departments and other central and local government bodies. Most of these transactions have been in the course of the latter's business as government agencies.

During the year, the Trust had a number of transactions with the subsidiary, YTHFM LLP. The Trust received income totalling £3.3m (2021-22 £2.2m) and incurred expenditure totalling £85.4m (2021/22 £70.7m) At the year-end there was a receivable balance in the Trust of £104.3m (2021/22 £53.2m) due from YTHFM LLP and a creditor balance of £62m (2021/22 £43.3m) due to YTHFM LLP.
All of these transactions and balances have been eliminated from the consolidated group position.

The Trust has also received total contributions of £1.2m (£0.3m towards revenue expenditure and £0.9m towards capital expenditure) (2021/22 £1m) from the York & Scarborough Hospitals Charity, the Corporate Trustee for which is York and Scarborough Teaching Hospitals NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £0.4m (2021/22 £0.5m) due from the York and Scarborough Hospitals Charity. The charities accounts are not consolidiated into the Group on the basis of immateriality.

Entities where significant transactions have occurred during the year are listed below. Transactions are considered significant for this note, if either income or expenditure for the year exceeds £2.0m or the receivable or payable balance exceeds £0.5m.

Department of Health and Social Care
City of York Council
Harrogate & District NHS Foundation Trust
Health Education England
HM Revenue & Customs
Hull University Teaching Hospitals NHS Trust
Leeds Teaching Hospitals NHS Trust
NHS Blood and Transplant
NHS East Riding of Yorkshire CCG
NHS England
NHS Hull CCG
NHS Humber and North Yorkshire ICB
NHS North Yorkshire CCG
NHS Pension Scheme
NHS Resolution
NHS Vale of York CCG
NHS West Yorkshire ICB
North Yorkshire County Council
Sheffield Teaching Hospitals NHS Foundation Trust
Tees, Esk & Wear Valleys NHS Foundation Trust

Note 34 Events after the reporting date

On the 2nd May 2023 the NHS staff council voted to accept the pay offer made by the government for Agenda for Change staff in England. The pay offer was made up of additional payments for the year 2022/23 as a non-consolidated lump sum and new salary rates to start from 1 April 2023. The pay offer was proposed to the Staff council in March and as a result national central estimates for the non-consolidated lump sum element were distributed by NHS England to all Trusts for inclusion in their 2022/23 annual accounts. The additional expenditure of £16.381m is included in Note 9 – Employee benefits with the additional corresponding income from NHS England included in Note 3 - Operating income from patient care activities.

These financial statements were authorised for issue on the 28 June 2023 by Simon Morritt Chief Executive

Glossary of Terms

Glossary of Terms

Acronym	Meaning
AGM	Annual General Meeting
AGS	Annual Governance Statement
AHP	Allied Health Professional
AMM	Annual Members Meeting
BAF	Board Assurance Framework
BAME	Black, Asian and Minority Ethnic
BoD (also referred to as the Board)	Board of Directors
CCG	Clinical Commissioning Group
CDiff	Clostridium Difficile
CE/CEO	Chief Executive Officer
CIP	Cost Improvement Programme
CoG	Council of Governors
CQC	Care Quality Commission
CRR	Corporate Risk Register
DIS	Digital and Information Service
EDI	Equality, Diversity and Inclusion
ICB	Integrated Care Board
ICS	Integrated Care System
ICU	Intensive Care Unit
IPC	Infection Prevention and Control
KPIs	Key Performance Indicators
NHS	National Health Service
NHSE/I	NHS England / Improvement
NHSE	NHS England
RTT	Referral to Treatment
WDES	Workforce Disability Equality Standard
WRES	Workforce Race Equality Standard
YSTHFT (also referenced to as 'The Trust')	York and Scarborough Teaching Hospitals NHS Foundation Trust
YTHFM	York Teaching Hospital Facilities Management LLP