NHS
Northampton General Hospital
NHS Trust

Proud to be a part of

University Hospitals of Northamptonshire
NHS Group

Annual Report and Accounts 2022/23

Dedicated to excellence

Contents

All NHS organisations are required to publish an annual report and financial statements following the end of each financial year. This report provides an overview of the work of Northampton General Hospital NHS Trust between 1 April 2022 and 31 March 2023 (2022-23).

The report is made up of three parts:

Section 1: Performance Report

Chair's welcome

Welcome to our annual report for 2022-23. It has been a pleasure to be asked to step into the role of Chair of our hospital since the retirement of Alan Burns, our University Hospitals of Northamptonshire Group Chair, in March 2023. I will hold this role until our new Chair, John MacDonald, joins us in July 2023. As a member of the Board I had already witnessed some truly amazing work, putting our patients first to offer the best care possible throughout some of the most challenging times in the NHS's history. Being in the privileged position as Chair, my admiration has only grown for our teams, who show courage, accountability, compassion, integrity and respect throughout their work.

On behalf of our hospitals, and our Group, I would like to thank Alan for the last five years of invaluable support, insight and leadership. He has played an integral role in helping our hospitals, Kettering and Northampton, work together to achieve university hospital status as the University Hospitals of Northamptonshire in July 2021. This was alongside our Group CEO, Simon Weldon, who also stepped down in March after five years with our organisations. Again, we owe a big thanks to Simon for his contribution and dedication – especially around his leadership of our clinical collaboration.

As we enter further into 2023 I look forward to seeing what the teams at our hospital and our Group, alongside our wider healthcare partners, can achieve to offer the best care to our communities across Northamptonshire.

Rachel Parker

Interim Trust Chair

27 June 2023

Chief Executive's Introduction

The last year has again seen the NHS face a number of challenges, and we at Northampton General Hospital have been no different, with the impact of the COVID-19-19 pandemic still being felt across our services – be it through the spreading of the virus itself or the recovery of our services and attempts to reduce those patients waiting for treatment. In addition, we have seen industrial action with our junior doctors. We respect the right of colleagues to take industrial action, and we are grateful to our teams for pulling together to support each other and continue to care for our patients in the best way possible during this time. I join with colleagues in hoping for a swift resolution to the matters.

Throughout the year, our teams have shown incredible passion and dedication to providing excellent care to our patients. I have witnessed them approach solutions admirably - no matter the challenge - keeping the patients and values of compassion, accountability, respect, integrity and courage at the forefront of everything we do. I have seen care being offered that goes above and beyond what may be expected. I want to thank them for this. I am incredibly proud to be your CEO, and it is a real privilege to work alongside you.

This year we have continued to place a focus on our culture, particularly equality, diversity inclusion (EDI), staff motivation, empowerment, and engagement. Our aim is to ultimately be a great place to work where everyone is able to thrive individually and as part of our wider teams. This provides a crucial foundation for teams to deliver excellent care to our patients.

We have seen success through our culture initiative Connect, Explore, Improve, which is a way for the Executive team and me to be able to engage with colleagues in real-time. The sessions allow for a two-way dialogue so we can understand what is going well, and what we can do to improve as an organisation for our teams and our patients. I'm looking forward to seeing how Connect, Explore, Improve will continue to take shape and complement further work to enable us to be the best we possibly can be both as a place to work and receive care.

In terms of EDI, we won the Talent Inclusion and Diversity Evaluation Silver Award for 2022. This was testament to the huge amount of focus our EDI team and staff networks placed on building a truly equitable organisation for our staff and patients. We also won the Rainbow Badge Phase 2.0 Bronze Award, which highlighted our commitment to our LGBTQ+ staff and patients. Our focus on EDI will continue and I am personally, along with the Executive team, committed to giving the EDI team and staff networks the necessary support to continue the amazing work they do.

Over the last year there have been so many reasons to celebrate our teams for their excellent work. This started right at the start of this reporting year, in April, when two of our talented midwifery team, who won at the Royal College of Midwives excellence awards, were invited to meet The Princess Royal and now Princess of Wales. Continuity of Care Team Lead Fatima Ghaouch was recognised for the work she and her team did to support women from different ethnic backgrounds and for raising awareness of racial inequalities during the pandemic. Now retired Community Midwifery Matron Anne Richley was recognised for the innovative way she and her team provided community services for pregnant women at the height of the pandemic.

Later in the year the Macmillan Social Care Team, based at Northampton General Hospital, won an award in the Macmillan Professionals Excellence Awards 2022. The award recognised individuals and teams that have truly gone the extra mile and demonstrated compassion, kindness and teamwork. In December, the Northamptonshire Community Stroke Team won the UK Stroke Forum's Patient, Carer and Public Involvement Prize. The team, based at our hospital, won the prize for their entry, which

described how they involved stroke patients in designing and improving the care they receive concentrating on the areas of greatest need.

This year saw our Infection Prevention and Control Team win a national environmental award. The team, which helps hospital staff to prevent infections, won the Best Waste Reduction Project in the national Investors in the Environment Awards 2022. The team's campaign concentrated on reducing excessive use of personal protective equipment.

Our catering team also won an award for the healthy food offering at our main 24-hour hospital staff and patient restaurant, Eat Street. They achieved a bronze award in the Healthy Food and Wellbeing in the Workplace category of the Northamptonshire Food and Drink Awards 2022-23. Earlier this year, a campaigner for 24/7 food to be available for NHS staff praised our around-the-clock restaurant after seeing it in action.

One of our nurses, who supports end-of-life care, received a top award from the Chief Nursing Officer for England this year for her outstanding work supporting patients and their families in end-of-life care. Kerry Messam, the hospital's Deputy Lead Nurse for Palliative Care, has won a Chief Nursing Officer for England Silver Award, which recognises major contributions to patient care and the nursing profession.

We also held our first in person joint University Hospitals of Northamptonshire (UHN) Excellence Awards evening in March to celebrate the achievements of some of our teams, amazing staff, volunteers and fundraisers across the UHN Group. The awards received over 450 nominations from staff, public and patients across 15 categories. They were a real pleasure to judge and present at, and importantly, an opportunity to thank all our staff for everything they do each and every day for our patients and each other.

As I mentioned in the introduction, performance across the hospital has continued to be challenged from the impact of the pandemic but our teams have pulled together admirably to offer the best service possible to our patients – our Performance Analysis (from page 14 below) contains details.

We have continued our collaborative working with Kettering General Hospital under our University Hospitals of Northamptonshire (UHN) Group, and I look forward to seeing this progressing over the next year. One aspect of collaborative working to highlight is the creation of our Cancer Centre of Excellence. Our aim is that this integrated service will be known nationally for exemplary outcomes, excellent patient and staff experience, and complexity of caseload. It will provide safe, effective cancer care for everyone in Northamptonshire across both of our hospital sites.

Thanks to our collaboration a state-of-the-art surgical robot was also used in Northamptonshire for the first time this year to help improve care for patients and tackle waiting lists impacted by the COVID-19-19-19 pandemic. UHN invested in the £1.7m robot as part of our clinical strategy, and is central to our plans to develop our Cancer Centre of Excellence.

We are also working collaboratively across UHN on the development of the Cardiology Centre of Excellence, being led by Kettering General Hospital. These are strong examples of how collaborating between some specialist services across our Group can offer our communities improved patient experience and access to care.

Another example of putting our patients at the heart of our care came in May when the talented breast screening teams' extra work paid off and they got all of the breast screening work across our county up-to-date following the national pause for the pandemic. Since 2020, the teams at NGH and Kettering General Hospital carried out thousands of extra appointments, working evenings and weekends, to catch-up on the backlog - a huge thank you to the team for this achievement.

As I mentioned earlier, innovation was a theme of this year. For example, a solution to keep a check on controlled drug stocks was developed by our UHN pharmacists. The specially designed ruler can be put alongside a drug container and used to measure the exact contents of controlled drug liquids without

having to pour from the bottle. It was invented by Northampton General Hospital Dispensary Manager, Rosemary Griffiths, and Advanced Clinical Pharmacist, Siobhan Abrahams, with support from Kay Faulkner, the University Group's Associate Director Research, Innovation, Education, and the Innovate UK Lean Launch Programme run by Queen's University, Belfast.

Alongside improving the care we deliver, our teams have also worked on improving the hospital itself and in June last year we were delighted to open our new £16m Intensive Care Unit. The new unit comprises 16 specialist beds, five specialist isolation rooms, a relatives' room, and better facilities for staff to work and rest in. We are proud of the facilities we are now using to deliver care at some of the most challenging moments of people's lives to make the experience as good as it could be.

We have faced other challenges with our estate over the year, meaning some of our patients faced waiting for our Emergency Department services in a temporary area outside of the department. I apologise to anyone who had to face this situation, I know I speak on behalf of our teams when I say this is not how we like to deliver our services to the community. Despite the challenges with demand on our services, we have made some improvements and our teams continued to offer the best treatment possible to the patients – and I want to thank them for this. I am incredibly proud also of the work undertaken by our Estates colleagues to deliver our new Emergency Department streaming hub. They are now continuing to work on our minor injuries hub to provide a further improved experience for our patients that require emergency care. They are also working on the development of our new discharge lounge to support timely transfer home for those in our care.
We said goodbye to a number of Board colleagues during the year, with Group Chief People Officer Mark Smith and Group Chief Digital Information Officer Andy Callow moving on to pastures new. We also said goodbye to our Group Chief Executive Simon Weldon, and to our Trust Chair Alan Burns, who retired at the end of March 2023 following a 49-year career in the NHS, during which time Alan has used his influence, knowledge, expertise and passion to advise and influence national policy, bringing about positive change and driving the closer collaboration between Northampton and Kettering. David Moore's second term as a Non-Executive Director expired in November 2022, and we welcomed Anette Whitehouse as David's replacement, as well as Hemant Nemade (Medical Director) and Nerea Odongo (Director of Nursing, Midwifery and Allied Health Professionals). Thank you to all departing colleagues for their work, and best wishes for their future endeavours!

I want to finish this introduction by thanking our patients for their support over the last year, our healthcare partners across Northamptonshire, specifically our colleagues at Kettering General Hospital, and our stakeholders including the Northamptonshire Health Charity - with your help we can provide even better services to our communities. And, of course, our wonderful staff and volunteers. The contribution you make is unimaginable and I am truly proud to be your CEO.

Heidi Smoult, Chief Executive and Accountable Officer , 27 June 2023

Who we are and what we do

NGH provides general acute services for a population of 426,500 in West Northamptonshire (ONS Mid-Year 2021 estimates) and hyper-acute stroke, vascular and renal services to people living throughout the whole of Northamptonshire. The Trust is also an accredited cancer centre and provides cancer services to a wider population of 880,000 who live in Northamptonshire and parts of Buckinghamshire. In addition to the main hospital site, which is located close to Northampton town centre, the Trust also provides outpatient and day surgery services at Danetre Hospital in Daventry.

The principal activity of the Trust is the provision of free healthcare to eligible patients. The hospital provides the full range of outpatients, diagnostics, inpatient and day case elective and emergency care and also a growing range of specialist treatments that distinguishes their services from many district general hospitals It also provides a very small amount of healthcare to private patients. The Trust is constantly seeking to expand the portfolio of hyper-acute specialties and to provide services in the most clinically effective way. Examples are developments in both urological cancer surgery and laparoscopic colorectal surgery placing the Trust at the forefront of regional provision for these treatments.

The Trust trains a wide range of clinical staff, including doctors, nurses, therapists, scientists and other professionals. The training and development department offers a wide range of clinical and non-clinical training courses, accessed in a variety of ways through a range of media including e-learning. The Trust has excellent training facilities which were recently upgraded. Services are delivered from the main acute hospital site in Northampton or by staff in the community.

Developing a shared vision of the future: the University Hospitals of Northamptonshire Group

In 2020, we announced our intention to form a hospital group with Kettering General Hospital NHS Foundation Trust (KGH), and appointed a Group Chief Executive of both hospitals. Under the Group model, both Trusts work collaboratively to improve the quality of the care we provide, enable more equitable access to services across the county, and make better use of our valuable resources.

In 2021, we adopted (with Kettering General Hospital) a ‘Dedicated to Excellence’ Strategy, developed following extensive public engagement, which we officially launched with a public and staff stakeholder event, articulating the group’s common vision and mission, supported by shared priorities and values. From the outset we were committed to involving staff, governors (at Kettering, which is a Foundation Trust) and volunteers, patient representatives, healthcare partners and other stakeholders in this activity.

The Strategy sets out:

Our Group vision:

Dedicated to outstanding patient care and staff experience by becoming a university hospital group and a leader in clinical excellence, inclusivity and collaborative healthcare.

Our Group mission:

Provide safe, compassionate and clinically excellent patient care by being an outstanding employer for our people, creating opportunity and supporting innovation, and working in partnership to improve local health and care services.

Our Group values:

The Group’s core values directly reflect the most common themes shared by staff, patient representatives and other stakeholders during the engagement programme. The top aspirational values we need to nurture have been woven into the vision and mission statements and will form an important part of our Group organisational development plans.

Compassion

We care about our patients and each other. We consistently show kindness and empathy and take the time to imagine ourselves in other people's shoes.

Integrity

We are consistently open, honest and trustworthy. We can be relied upon, we stand by our values and we always strive to do the right thing.

Respect

We value each other, embrace diversity and make sure everyone feels included. We take the time to listen to, appreciate and understand the thoughts, beliefs and feelings of others.

Courage

We dare to take on difficult challenges and try out new things. We find the strength to speak up when it matters and we see potential failure as an opportunity to learn and improve.

Accountability

We take responsibility for our decisions, our actions and our behaviours. We do what we say we will do, when we say we will do it. We acknowledge our mistakes and we learn from them.

Our Group Priorities

The Trusts agreed five priority areas of focus and improvement in respect of:

- Patient: excellent patient experience shaped by the patient voice;
- Quality: outstanding quality healthcare, underpinned by continuous, patient-centred improvement and innovation;
- Systems and Partnerships: seamless, timely pathways, working together with our partners;
- Sustainability: a resilient and creative University Hospital Group, embracing every opportunity to improve care
- People: an inclusive place to work where people are empowered to make a difference.

Our Clinical Strategy

Our Group Clinical Strategy outlines how the Trusts work together across the Group and local health system to deliver excellent patient care and improve services for its patients.

The strategy sets out how we are building on our existing collaborations to establish clinical centres of excellence in the county, increasing capacity so our patients do not experience cancelled operations and longer waiting times, and becoming a hub for research and innovation. It contains the following core ambitions:

- Work with our partners to prevent ill-health and reduce hospitalisation, changing the way care is provided along the care pathway.
- Develop centres of excellence in the county, building on our established strengths in each hospital, with cardiology being based in Kettering General Hospital and cancer in Northampton General Hospital, but with consistent access to these services by all patients in the county.
- Protect elective beds to reduce cancelled operations, reduce long waiting times and increase efficiency.
- Build on our University Hospital status, becoming a hub for innovation and research, attracting high calibre talent and growing the number of clinical trials our patients can access.

Many staff in both clinical and non-clinical roles were involved in developing the Group ambition, and the Trusts are committed to continuing to work together and with patients and stakeholders to develop our strategy further.

During 2022-23 the Group carried out engagement work to define and set out ambitions for a Cancer Centre of Excellence, and hosted a Cardiology Centre of Excellence Conference to develop our strategy and pathways. Many other clinical services met during the year, to discuss current practice and their future service strategies to collaborate across the Group. In addition, the launch of a surgical robot at NGH in March 2022 has enabled NGH to treat more patients in Northamptonshire, many of whom previously had to travel to hospitals outside of the county, as well as provide ‘mutual aid’ to patients waiting for treatment at hospitals in other areas.

Supporting Strategies

The Trusts have longer-term strategies to enable the right changes to be made to achieve the Group’s ambitions. Each of our strategies have begun to deliver exciting improvements for the group, for example:

- *Digital*: MediViewer is live across both KGH and NGH, which allows our clinicians to see records electronically through scanning clinical records
- *People:* To better support our aspiring, emerging and established managers and leaders, we began to pilot our management and leadership training programme in NGH, with a programme covering compassionate leadership, high performing team-building and personal development, as well as a ’toolbox’ of skills needed when managing or leading teams.
- *Nursing, Midwifery and Allied Health Professionals (AHP):* The first UHN Allied Health Professionals conference was held in October, highlighting the fantastic work our AHP staff do and promoting the leadership role they play as valued members of the Multi-Disciplinary Team

- *Academic:* Four clinical academic posts have been recruited to across UHN to grow our research capability and capacity, and we have funded a PhD scholarship to focus on benchmarks in Nursing Excellence

Dedicated to Excellence: Review of Progress

Here are some examples of achievements against each Group priority: (please see the Performance Analysis below for more detailed analysis of NGH's work over the year)

Patient

- Our Stroke Community Support Team won the UK Stroke Forum's Patient, Carer and Public Involvement Prize for their development of new pathways which truly put patients at the heart of their care;
- Successful Autism listening events were held, hearing our patients' experiences of their treatment pathways and how we can make reasonable adjustments to our care pathways;
- The Palliative Care team opened Swan Rooms to provide a suitable and supportive environment for patients and their families at the end of life.

Quality

- Our Patient Safety team's implementation of our deteriorating patient task list in NGH was awarded a high commendation at the HSJ Patient Safety Awards in recognition of the contribution this has made to improving the outcomes for deteriorating patients
- The Acute Illness Response team in KGH was also shortlisted for a HSJ Patient Safety Award for their work on Call 4 Concern providing a route for patient families to raise concerns if their loved ones begin deteriorating while in hospital

Systems and Partnerships

- Through the hard work and dedication of our teams, we have some of the best elective care delivery in region and have provided mutual aid to support neighbouring providers to tackle their long waits
- NGH was placed second in the region for its performance against the 28-day faster diagnosis standard, surpassing the 75% standard at 81%.
- Our theatre productivity has been increasing with the highest ever levels of productivity in both hospitals achieved during the year
- The average length of stay of patients aged over 65 years who are fit to be discharged reduced by 7 days compared to 2021/22.

Sustainability

- Both Trusts' food waste was below the national 5% target;
- The Trust has reduced Carbon emissions from inhaled anaesthetic gases beyond the NHS target of 5%
- Both Trusts have procured a single catering provider to generate financial savings and reduce food waste, which will include the introduction of digital food ordering in the hospitals during 2023-24

People

- We have established 30 Shared Decision-Making Councils across the Trust and trained these in quality improvement techniques to assist the delivery of patient-focussed improvement projects;
- Our UHN People Pulse survey is now embedded and is run three times a year in line with national guidance. In January 2023 we included bank staff for the first time.

At the Board Meeting in April 2023, a review of the delivery of Group priorities was undertaken as part of our annual Integrated Business Planning cycle:

- Reviewing each Group priority performance measures, projects outlined for delivery, how far our achievements have taken us on our journey to Excellence, the challenges we have faced in delivery and any lessons learned in each area.
- Setting priorities for delivery for the upcoming year, supporting by key metrics and regular monitoring of delivery by the Board and Committees.

The report is available to view on page 155 of the Public Board papers (hyperlink) for the 5 April 2023 meeting.

Our local health system

The Trusts making up the University Hospitals of Northamptonshire (UHN) Group are key partners in the Northamptonshire Integrated Care Board (ICB), which legally came into being in July 2022 to replace the Northamptonshire Clinical Commissioning Group (CCG) and is the statutory body responsible for local NHS services, functions, performance and budgets. The ICB is responsible for joining up care services to improve patient care in the community within the Integrated Care System (ICS). In bringing together hospitals and family doctors, physical and mental health, the NHS, local councils and community and voluntary services, the ICB allows for greater input from all those involved in delivering services, resulting in better care wrapped around individuals. The ICB's role is to ensure that the best possible care is available to people in our communities. It constantly assesses what needs to change to meet the level and complexity of care in the county. The ICB ensures that integrated care improves population health and reduces inequalities between different groups.

For 2022-23, the Trusts contributed to a single Operating Plan for the Northamptonshire Health and Care Partnership (HCP - the forerunner to the ICB before it formally came into existence), comprising the key elements of activity and performance, workforce, finance and accompanying narrative.

The final submission in July 2022 set out aims for the Northamptonshire Health and Social Care system to deliver elective performance of 104% of 2019/20 activity levels, achieve a breakeven financial position and address issues in readiness for winter pressures, particularly to ensure effective ambulance handovers and minimise delayed discharges.

The financial plan was collectively agreed with all parties taking comparable risk whilst retaining positive working relationships to achieve a breakeven position, with the UHN Group committing to improve its financial plan by around £20 million between the two hospitals.

Delivery of the plan was dependent upon a number of assumptions:

- a £20m unidentified financial gap (£35m ICS wide) would be closed
- bed capacity could be closed and costs released, saving £5.8m
- that 2% efficiency would be delivered, saving £15.5m
- that impact of COVID-19-19, staff unavailability and flow challenges would be minimal, and
- That inflation would be no greater than planned

Risks to the delivery of the plan began to materialise as these assumptions were not met, specifically in respect of above-projected inflation and patient flow challenges caused by sizeable impacts of COVID-19, combined with winter ‘‘flu. The financial position at 30 September 2022 (Month 6) showed a year-to-date deficit of £28.2 million, which was £12m worse than plan. Following extensive negotiations with NHS England, a revised year-end deficit of £35m was agreed, with the expectation that significant steps would be taken to improve underlying financial performance moving into 2023/24. The NGH element of the overall deficit was a £18m deficit at year end. NHS England provided significant scrutiny and challenge of performance, and required elective capacity to be maintained in order to minimise the numbers of patients waiting over 52 weeks for treatment.

UHN committed to internal work in a number of areas to improve financial controls and performance, included ‘enhanced oversight’ controls on agency and recruitment, ‘stepping down’ additional winter capacity, reviewing increases to workforces since the beginning of the COVID-19 pandemic and reorganising urgent care capacity and flows to increase productivity and reduce costs.

Please see the Performance Analysis Section below for detailed Trust performance during the year.

Planning for 2023-2024

ICBs and their partner Trusts have a duty to prepare draft and final plans for 2023-24 by 31 March and 30 June 2023 respectively. Planning guidance sets out a number of statutory requirements for the plan to meet the health needs of the local population, deliver a financial plan, implement joint local health and wellbeing strategies and take steps to address the needs of children and young people and victims of abuse. There are also a range of national NHS objectives around core services, transformation and the delivery of the NHS Long Term Plan, without the prospect of additional resources to deliver these objectives. The Trusts are working closely with ICB partners to agree a sustainable position and ensure that Group priorities are specific, measurable and aligned to the wider needs of the local health economy.

Working together to tackle local health inequalities

Our local population is older than, and growing faster than, the national average so the demand for excellent quality care and support will increase over the coming years. Some of our local populations have significantly poorer health outcomes and life expectancy than the national average, and many of these people do not get the access to the care they need in a timely way.

Where you are born in Northamptonshire also makes a difference to how long you are likely to live. A male in Northamptonshire can expect to live an average of 80 years and a female an average of 83 years. This is in line with the national average; however, males born in the most deprived part of Corby in the north of the county have an average life expectancy of 73 years, compared with males born in the wealthier area of Spratton, who live to an average of 83 years. Similarly, females born in Corby Central live to an average age of 78, while others in Towcester Mill in South Northamptonshire, live to an average age of 87.

Two-week waits for cancer referrals are significantly higher in Northamptonshire than the national average (7.8% compared to 7.1%), 547 of the 1,385 deaths from cardiovascular diseases amongst those aged under 75 years were considered preventable, had effective public health and primary prevention interventions been delivered. North and West Northamptonshire have significantly higher death rates for respiratory disease in residents age under 75 years compared to the England average, 38 per 100,000 in North Northamptonshire compared to 34 per 100,000 for England); 24 of which were considered preventable.

More detailed information on health inequalities in Northamptonshire is available to access online at www.icnorthamptonshire.org.uk/health-inequalities

The UHN Group's Clinical Strategy sets out what we need to do to tackle these challenges, identifying key areas where our population will require care and treatment over the coming years. We are working within the Integrated Care System to transform how services are delivering through collaboratives for:

1. Children and young people
2. Mental health
3. Integrated Care Across Northamptonshire (ICAN, ageing well) and
4. Elective care

The UHN Trusts have been designated as Lead Providers for the Elective Care Collaborative, which aims to transform services so that patients can access the right clinician in the right place, for example in community integrated diagnostic hubs and transformed outpatient services, supported by an ICS-wide patient waiting list to support equitable access.

The ICAN initiative has three core aims, to:

1. Ensure we choose well so that no-one is in hospital without a need to be there
2. Ensure people can stay well and
3. Ensure people can live well, staying at home if that is right for them

The programme has contributed to substantial improvements in reducing lengths of stay in hospital for patients requiring supported discharge during the year, though admissions of residents aged over 65 increased due to increased ‘‘flu and COVID-19 cases in the community. The number of people who are attending community interventions related to their long-term conditions are at the highest ever levels, with over 140 individuals having attended strength and balance classes by November, over 530 individuals attending memory hubs and nearly 540 individuals having attended community heart disease clinics.

We made significant progress in **community diagnostic** provision during the year, submitting a business case, which was approved by Regional and National panels in February 2023, for national funding of up to £17 million to provide Community Diagnostic Centres in Corby and King's Heath (Northampton) we have also invested in shorter term capacity to enable CT and MRI facilities at these existing health centre locations from April 2023, prior to the new buildings becoming operational – the choice of sites took into account identified local health inequalities; both are highly populated areas with high indices of Multiple Deprivation compared locally and nationally, and both easily accessible by both public and private transport.

We also developed plans to establish **Cancer and Cardiac Centres of Excellence** for Northamptonshire: see the Group Clinical Strategy Section above for details.

The Trusts' endorsed the Integrated Care Northamptonshire Strategy in February 2023, setting out 10-year plan four our residents to have the best outcomes at every stage of their lives, and how we will work together with a shared responsibility to deliver these outcomes for our communities, which will improve the health of the population so that our services are reserved for the people most in need of them. The strategy is available to view here: https://www.icnorthamptonshire.org.uk/updates/integrated-care-northamptonshire-launches-10year-strategy-9188/.

Performance Management Framework

The Group Integrated Governance Report is submitted to Board Committees and Boards of Directors at each meeting. The Trust uses Statistical Process Control Charts and exception reporting, using longitudinal data and statistical theory to inform judgement and provide greater assurance and trend analysis. During 2022-23, the Trusts made continued progress towards an aligned suite of key performance metrics to monitor performance in the context of the University Hospitals of Northamptonshire Group, with a consolidated report to the Board of Directors on a bi-monthly basis.

As part of the alignment of risk management arrangements across the group, links have been strengthened between the Group Board Assurance Framework (BAF) and key linked Corporate Risks within each Trust, allowing for the escalation of risks from ward through Directorate and Divisional risk registers up to the corporate risk register with the Assurance and Risk and Audit Committees maintaining governance oversight and a reporting line to the Board. In 2022, the Boards approved the first group risk strategy and policy framework, to ensure a common approach is adopted to risk assessment, risk assurance and risk register management.

Links to the Integrated Governance Reports, considered by the Board of Directors during the year, are available on our public website: https://www.northamptongeneral.nhs.uk/About/Our-Trust-Board/Meeting-and-papers/Meeting-papers.aspx

Trust Performance analysis

1.3.1 NGH Highlights, 2022-23

April 2022

NGH Midwives meet Royalty during official opening of new Royal College HQ

Continuity of Care Team Lead, Fatima Ghaouch, and midwife Anne Richley met Princess Anne and the Duchess of Cambridge during their first official joint Royal engagement. Fatima and Anne were invited to the event because they had previously won Royal College of Midwives (RCM) excellence awards.

June 2022

Working towards a sustainable future

NGH created a 'Weeds for Bees' scheme where some areas of our grounds have been allowed to grow wild. NGH also celebrated receiving a £20m government grant to replace fossil fuel heating with more renewable sources.

May 2022

Breast screening in Northants is up to date thanks to extra work done by hospital teams

The breast screening teams at Kettering and Northampton general hospitals succeeded in catching-up on appointment backlogs created by the COVID-19 pandemic. It means that more than 90% of women in Northamptonshire have been offered an appointment for screening within three years if they are aged 50-70.

July 2022

NGH Nurse who supports end-of-life care receives top award from the Chief Nursing Officer for England

Kerry Messam, the hospital's Deputy Lead Nurse for Palliative Care, won a Chief Nursing Officer for England Silver Award which recognises major contributions to patient care and the nursing profession. Kerry was described as an outstanding nurse and patient advocate who, during the COVID-19 pandemic, continued to transform our end-of-life care service.

August 2022

New breast pain clinic

Northampton and Kettering Hospitals opened their new breast pain clinic for patients in Northamptonshire. The clinic will help women who are experiencing breast pain, giving them an alternative route into the breast service to be seen by a specialist. This will avoid patients being unnecessarily referred to a cancer pathway, the experience of which can cause significant patient anxiety, further heightened by mammography and/or an ultrasound scan.

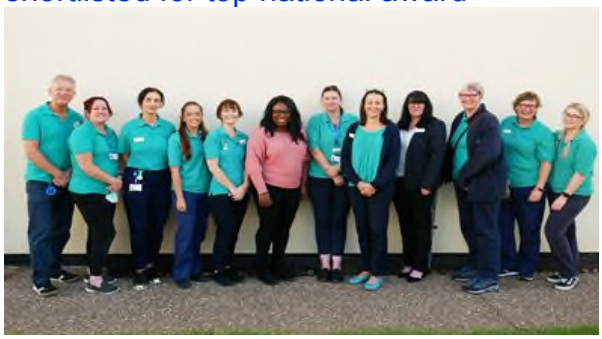
October 2022

NGH's main staff and patient restaurant wins award for healthy food

The NGH catering team won an award for the healthy food offering at our main 24-hour hospital staff and patient restaurant, Eat Street. They achieved a bronze award in the Healthy Food and Wellbeing in the Workplace category of the Northamptonshire Food and Drink Awards 2022-23 sponsored by Weetabix.

September 2022

Stroke patients' initiative from NGH shortlisted for top national award



The Northamptonshire Community Stroke Team was shortlisted for the Innovate Awards 2022 for their “Putting the patient at the centre of all we do - living a meaningful and fulfilling life after stroke" initiative. The initiative involved designing and improving a care pathway for stroke patients using direct input from a stroke patients forum and setting up volunteering options for patients. This enables staff and stroke patients to work together to improve care by highlighting key concerns and ensuring that resources were concentrated in the areas of most need.

November 2022

Hospital recruits first UK patient to pioneering COVID-19-19 prevention research trial

NGH recruited the first patient in the UK to a new research trial which aims to help immuno-compromised patients to fight COVID-19.

The trial is called the RAPID-PROTECTION study and operates at hospitals across the country with the aim of recruiting approximately 350 participants aged over 18.

December 2022

Infection Control Team win national environmental award for reducing waste

The Infection Prevention and Control Team – which helps hospital staff to prevent infections and fight bugs such as COVID-19 and norovirus – won the Best Waste Reduction Project in the national Investors in the Environment Awards 2022. The NGH team's 'be PPE free' campaign concentrated on reducing excessive use of personal protective equipment (PPE) like gloves and aprons where it wasn't necessary.

February 2023

NGH nurse shortlisted as Nurse of the Year for the way she has helped to improve end-of-life care

Kerry Messam, Deputy Lead Nurse for Specialist Palliative and End of Life Care was shortlisted for a national Nurse of the Year Award for the way she has helped enhance end-of-life care for patients and their families in the finals of the British Journal of Nursing (BJN) Awards 2023. The awards celebrate the hard work and dedication of nursing teams and individuals across the country and acknowledge and celebrate the positive impact they have on patients' lives.

January 2023

NGH senior nurses receives awards for outstanding support for their team

Three senior nurses from Northampton General Hospital received DAISY Leader Awards for the compassionate support and exceptional leadership they have given to their staff teams during difficult times. Associate Director Nursing Women's, Children's Oncology and Haematology, Jo Smith, Interim Associate Director of Nursing for Surgery, Kirsty Spazzolino, and Matron for Urgent Care, Christina Mallinder, were all nominated for their awards by their nursing colleagues.

March 2023

A new way for patient voices to be heard at Northamptonshire's hospitals

A Patient Panel was launched across both Northampton General and Kettering General Hospitals to help ensure the patient and carers voice is heard when we develop and deliver patient care. The Patient Experience teams at both hospitals have developed the Panel idea - which will work to improve services across both hospitals - as a new way for patients, carers, and their families to get involved in the development of services.

1.3.2 Performance Analysis: Patient and Quality

This year we have prioritised improving our mortality (a measured by the Standardised Hospital Mortality Index or SHMI) and on reducing harm through work to provide better care for deteriorating patients.

These work programmes have been directed towards the UHN Group quality priorities of best in peer group mortality rates and zero avoidable harms.

The various approaches deployed to reduce mortality for our patients include some disease specific work, including to improve the quality of care for patients with heart failure, and some more generally applicable work. The latter includes the “working diagnosis” project with a real emphasis on supporting our clinical teams to crystallise their clinical plans. Elements of this have been picked up by the board round project, with multiple wards being allocated executive team sponsors to support board rounds, with a view to improving the quality of care and also expediting it where possible.

Other work to improve mortality has included providing respiratory specialist care in addition to general internal medicine for patients presenting urgently to our hospital. We have also increased the numbers of doctors working in our hospitals out of hours.

Ongoing mortality reviews and a pro-active learning from deaths / medical examiners group continue to address and investigate any mortality alerts or themes that are raised.

The deteriorating patient task list performance continues to positively support early recognition and review of deteriorating patients. This is now an embedded process and continues to contribute to the improvement in mortality metrics.

Newly formed Sepsis and Acute Kidney Injury (AKI) team are supporting improvements in these areas of care.

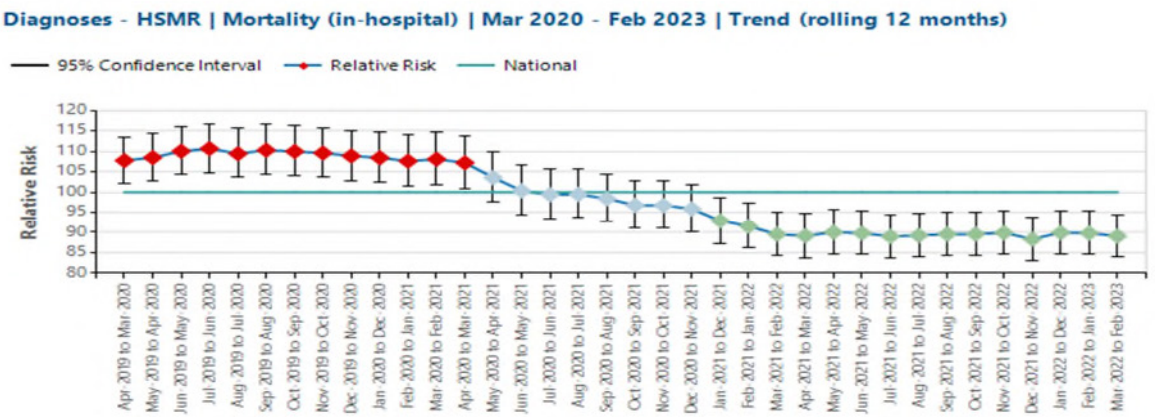
We continue to demonstrate a reduction in unexpected admissions to Critical Care form the base wards and preventable cardiac arrests across the Trust. We believe that this improvement work is contributing to a higher quality of care and a reduction in mortality.

Finally, and linked also with the work to reduce avoidable harms, our work to recognise rapidly and respond holistically to deteriorating patients has gone digital. The patient safety and outreach teams have been able to coordinate their support for our clinical teams through central oversight of patients with high “early warning” (NEWS2) scores and these also trigger a “task list” which guides the clinical teams to ensure all appropriate treatments are considered and acted upon in a timely way.

The net result of these interventions is a substantial improvement in the Summary Hospital Mortality Indicator (SHMI) at the Trust. A score of 100 is the national average, and during the year our SHMI has reduced from 102.8 to 91.3.

This substantial and sustained reduction is a great credit to all who have worked toward it, and we are carrying out an analysis to ascertain the relative contributions of the various interventions outlined above to the improved position to support future decision making around areas for investment.

The other commonly referenced index of mortality is the Hospital Standardised Mortality Ratio (HSMR). This has also improved substantially over the same time course, from a maximum during the year of 108 to the current 93.2 (May 2023).



The key intervention in reducing avoidable harms has been through the deteriorating patient work programme as described above. The number of harms resulting from unrecognised or inadequately responded to deterioration has fallen substantially.

The overall level of harms classified as of “moderate” or above severity have recently increased in line with the increase in level of operational pressure: the hospital operated at OPEL 4, the highest level of operational pressure, for much of the year due to the combination of COVID-19-19 and non-COVID-19 demand, with the additional complexities of keeping patients “COVID-19 safe”, i.e. physically segregating COVID-19 from non-COVID-19 patients. This has in turn been compounded by the frequency of outbreaks of COVID-19 due to the extraordinary infectiousness of the more recent variants. The impact on incidents has been felt in areas experiencing the consequences of the operational pressure, primarily in the emergency department. There were also a relatively high rate of harms recorded in the maternity service where levels of midwifery staffing were particularly challenged.

Both of these clinical areas are recipients of internal (e.g. patient safety team) and external (e.g. regional midwifery team) support.

Additional work programmes which will bring down rates of avoidable harm include the deployment of the electronic prescribing system (with built in venous thromboembolism screening and protection), work on junior doctor handovers and prioritisation of systems for work out of hours.

We are confident that these will be bearing fruit in a way that will be demonstrable at the time of the next annual report.

Patient experience

Supporting patients and families

Patient Experience & Engagement has expanded significantly during 2022-23 partially due to the easing of the restrictions following the COVID-19 pandemic and also the increased appetite for ensuring the experience of patients and carers is captured and used to inform service improvement.

Hearing the voice of our patients

We offer patients the chance to feedback and to let us know whether they feel we are listening which is a key component in identifying whether patients are receiving a positive experience of care, and where they are not identifying what improvements need to take place. We provide ways for patients to be able to share their experiences with us including involvement and engagement within the decision making within the Trust. These are summarised in the following section.

Patient Feedback

The Friends & Family Test: This is a national standard survey asking patients whether they were satisfied with the care received, with a follow up question seeking reasons for the score given. The survey also asks questions relating to protected equality characteristics to ensure everyone is treated in the way they want to be treated. The question can be asked throughout any point in the patient's journey and is provided in many different formats within the Trust including, SMS text message, Automated calls, QR codes within posters and mini-postcards, postcards, online surveys and Electronic Tablets.

CQC/NHS England National Surveys: The CQC mandate a series of national surveys each year. These were placed on hold during the beginning of the pandemic; however, a number have now resumed. Below are the National CQC Survey result presentations for the National Cancer Patient Experience and Inpatient Survey results, previously presented in Patient Carer Experience and Engagement Group (PCEEG) meetings during 2022-23:

The surveys NGH has run are:

For patients seen in 2022

- Maternity – launched February 2022:
  - CQC publication date 11 January 2023
  - Findings and action plan presented at PCEEG 25th April 2023
- Urgent and emergency care – launched September 2022:
  - Visits to peer organisations to learn from their experiences November 2022 - February 2023,
  - publication expected June 2023
- Adult inpatients – launched November 2022:
  - Visits to peer organisations to learn from their experiences January – April 2023,
  - publication expected August 2023

Inpatient Journey Survey (IPJ): In addition to the nationally mandated inpatient survey, the Trust also commissions its own Inpatient Journey Survey using questions from the national inpatient survey. The IPJ is sent out to 500 patients each month who have been treated as inpatients. The results are collated monthly Trust wide and quarterly at ward level.

Local Surveys: Local surveys are created through the Envoy system which is the same system used to collate the FFT. The online system allows us to create multiple surveys which can be shared via weblink and QR code. Initially, three surveys were set up to be sent out via text message alongside the FFT, covering Discharge (Inpatients), the Emergency Department experience and Outpatient experience. Since then, the local surveys have grown quickly, with new services coming onboard each week.

Patient Stories: Patient stories are used to share patient's journeys within learning environments. We used the feedback in medical and nurse education in videos from patients

living with conditions such as autism and early onset dementia journey. The Board of Directors also receives patient and staff stories at its bi-monthly public meetings.

Social Media & Online Reviews: Patients often look for ways to share feedback and an important communication channel is online. All feedback is reviewed and responded to.

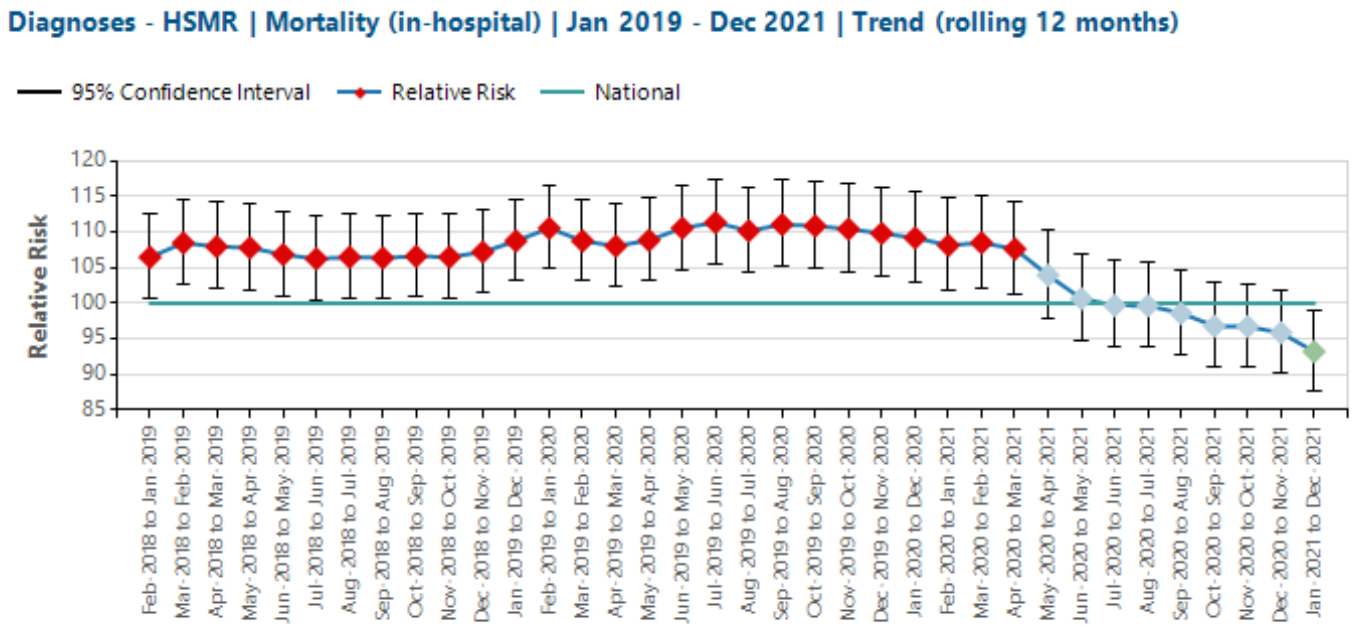
Supporting patients to give their feedback

There is no overarching Trust wide target as the FFT targets are separate for each service:

- Inpatient wards – 89.5%
- Day case units – 98.0%
- Emergency Departments – 88.0%
- Outpatients – 94.0%

However, the remaining data points are within normal variation (common cause). It should be noted that the data point for January 2023 achieved its highest satisfaction score of the year of 90.6%.

Patient Engagement - Listening Events



Group Patient Experience and Engagement across UHN

Since the UHN Group model was launched, patient engagement activities have increased significantly, with the aim of patients being involved in many different aspects of the hospitals and the redesigning of services. The following provides an update on the activities which have taken place during 2022-23.

Clinical Pathway Review and Redesign

A number of clinical pathways will be redesigned to provide services across Northamptonshire within one site as a Centre of Excellence. The main focus for the period has been around the strategies for Cardiology and Oncology, whilst the other specialties forming this programme of work are still in their infancy. Cardiology has had patient representation from two patients with the lived experiences of Cardiology services at NGH and KGH being included in the strategy development. For Oncology, the cancer services strategy is due to be launched at the Macmillan wellbeing event to be held in June 2023 with the proposed document being provided to attendees for their feedback. Along the development journey of the Patient Pool covering both NGH and KGH we have attracted over 40 patients / carers for multiple specialities who have shown an interest in being included in improving services and supporting the pathway redesign. The Patient Experience team link the people with the relevant service, strategy group or project lead to ensure patient engagement is factored into the design or service creation programme.

Patient Experience Pool

To increase the volume of patient and carer representation on the various clinical pathway strategy groups, the Patient Experience Pool was launched in March 2023. With the assistance of the Communications teams, this was publicised in the local media, hospital social media platforms, local community radio stations, internal posters and via flyers sent to all GP practices within the county.

Staff Training

Since April 2022, the Patient Experience and Engagement team has reinstated face-to-face staff training sessions to raise the awareness of the importance of good patient experience. During the year the team delivered multiple training sessions to the following groups:

- Shared Decision Making Councils
- Nurse Development courses
- Learning for Excellence
- Pathway to Excellence – Evidence Based Practice
- Director of Nursing Fellowship groups
- Ophthalmology Clinicians, Nursing and Administration teams

In addition to future sessions planned for the above cohorts, we will also be embarking on providing Patient Experience and Engagement training for the following:

- The University Student Nurse Induction Programme courses throughout the year
- Student Doctors Training Sessions
- Guest Speakers for the University of Northampton as subject matter experts on their MSc course for Quality Improvement and Patient Safety.

Moving forward

The Patient Experience and Engagement team has expanded significantly during 2022/2023 due to the increased appetite for ensuring the experience of patients and carers is captured and used to inform service improvement. The recognition of Patient Engagement within the Group Clinical Pathways Strategies has gained a greater recognition and the collaborative working between NGH, KGH and other organisations such as Northamptonshire Carers. has noticeably gained momentum.

Complaints

The Trust received 492 Complaints in the year, which was 37 or 8% more than the previous year:

	2022-23	2021/22	2020/21
Total no of complaints for the year	492	455	329
Average response rate within target timeframes	98%	93%	99%
Total no of complaints that required a renegotiated timescale, agreed by the complainant	88	166	72
Average response rate excluding agreed extension of time	*80%	Not reported	Not reported
Total no of complaints that exceeded the renegotiated timescale	36	36	1
Total patient contacts/episodes*	758,473	710,480	599,080
Percentage of complaints versus number of patient contacts/episodes	0.06%	0.06%	0.05%

*Complaints have only recently started reporting on both including and excluding extension of time requests to develop consistency within reporting across the UHN group.

During the year we have revised our complaints time frames and are now working to a 60-day target to respond to all complaints.

Support for patients living with cancer

The Trust has undertaken many pieces of work in the past year to improve our patient experience, some of these are shown below.

The results of the 2021 Cancer Patient Experience survey were published in July 2022. The results were mixed with seven questions scoring below the expected range, including:

- Patients told sensitively they had cancer;
- Treatment options were explained in a way patients could understand;
- Families involved in decisions about treatment options;
- Patient's family were able to talk to a member of the team looking after their loved one;
- The whole team worked well together;
- Administration of care;

- Overall rating of care.

The Trust was successful in a Macmillan bid to develop a lead to implement the national personalised care agenda, including holistic Needs Assessment/Care Planning, End of Treatment Summaries and Health and Wellbeing. There has been an increase in the number of holistic needs assessments undertaken at key stages in the patient's pathway, and a slight increase in the number of end-of-treatment summaries generated.

The Macmillan Information Support Centre continues to lead on the development and implementation of health and wellbeing programmes to support self-management strategies, including a dedicated walking group, tailored workshops including yoga, financial clinics, ideas with patients sharing their experience with hints and tips to enhance wellbeing. There has also been targeted health prevention as part of the national campaigns.

The centre has worked with the national improvement team to identify the holistic needs of harder to reach groups, including patients from different ethnic backgrounds and those with learning difficulties.

The footfall of patients attending the hospital has reduced since COVID-19 and there is a need to engage with the wider community to identify their health and wellbeing needs. The Trust has been successful in a bid to Macmillan to develop a two-year project post to scope the cancer information support needs of the local community, with the aim of developing a proposal to meet those needs working with key stakeholders.

In addition:

- NGH has worked in partnership with KGH and the ICB to submit a bid to Macmillan for additional clinical psychologists to address the deficit of specialist support across the county.
- The dedicated cancer YouTube channel continues to develop with a total of 77 videos to support the holistic needs of those living with cancer and linking with national awareness campaigns.
- Based on feedback from patients, the Trust is hosting a dedicated health and wellbeing event at a local hotel in June 2023, inviting patients/carers to participate in a variety of workshops to meet their individual holistic needs. This is being developed in consultation with patients.
- The Trust has been successful in a bid to Macmillan cancer support to develop a dedicated team to implement cancer pre-hab/rehab for patients prior to surgery and oncological treatment. This will greatly improve clinical outcomes and our cancer patient experience, reflecting the regional gold standards framework.
- The Trust was shortlisted for two national Macmillan awards during 2022 and was delighted that the Macmillan social care team was the winner of the “Going above and beyond” category.

It is recognised nationally that approximately 30% of the Clinical Nurse Specialist (CNS) workforce is due to retire in the next eight years. The Trust has been working to develop development posts to sustain the CNS workforce and, is working with training and development to establish an aspirant CNS programme to attract and train the CNS workforce for the future.

The Trust is participating in the second round of the national GRAIL trial, this identifies patients who have a positive signal for cancer enabling early treatment to achieve the best possible clinical outcome.

During 2022 the Trust was pleased to welcome its first Macmillan Advanced Nurse Practitioner post in acute oncology, to enhance the care of patients who present via the emergency route.

Performance Analysis: Operations

The previous year focused on restoration and recovery, achieving a 94% reduction in the number of patients waiting over 52 weeks for treatment. Despite challenging circumstances and continued emergency and operational pressures, this year continued restoration and recovery of operational performance across specialties.

NGH proceeded to provide Mutual Aid to hospitals outside the county, and successfully treated 140 long waiting patients all waiting over 104 weeks for treatment.

Winter, COVID-19 and Industrial Action caused challenges across the health and social care economy again this year. Subsequent cancellations and prioritisation of the highest priority, including cancer, patients, resulted in more patients waiting over 52 weeks.

The Trust has seen an increase in the number of patients waiting over 52 weeks for treatment due to theatre staffing issues and cancellations, urgent and emergency care pressures and Increased demand in theatre and urgent cases and is reflective of an increased referral rate and demand and reduced clearance with Ear-Nose-Throat (ENT), Trauma and Orthopaedics and Gynaecology being the most challenged specialties. ENT experienced a 55% increase in demand and prioritised cancer/urgent patients, impacting the ability to treat long waiters.

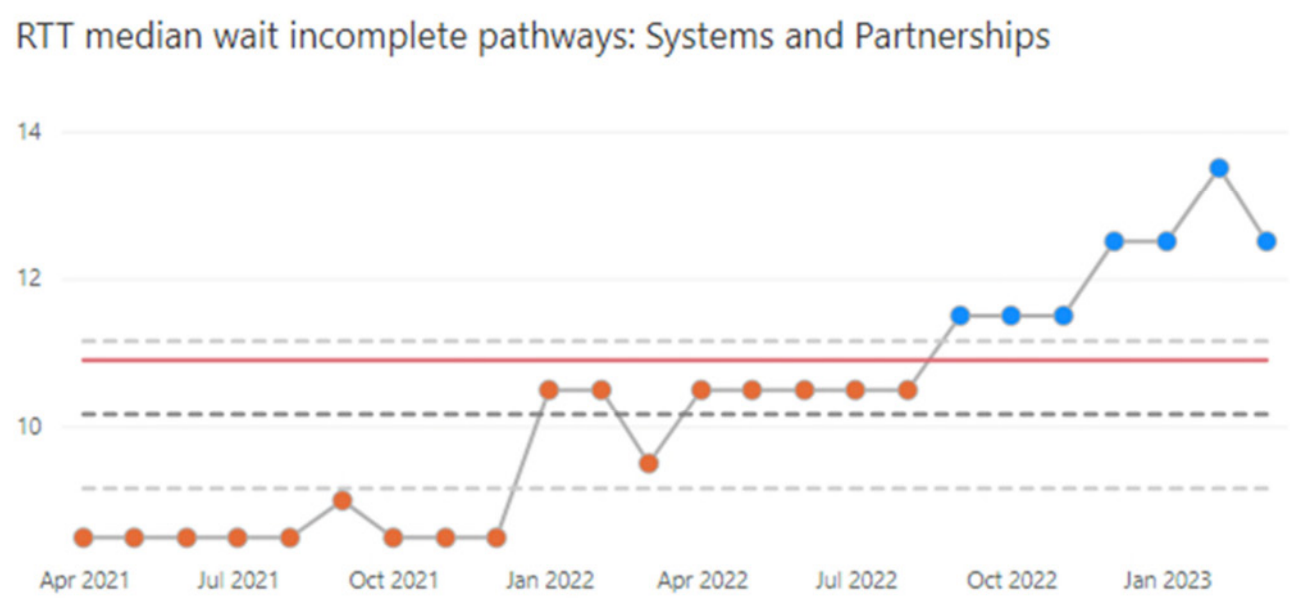
At year end (31 March 2023) the Trust has maintained a comparatively good performance within the region continuing to maintain one of the lowest backlogs and successfully treating all patients who had waited over 78 weeks for treatment by year end.

Further to the impact of industrial action in March 2023 and the new financial year, the Trust now aims to continue focus on recovery and clear the backlog with a trajectory in place to treat all remaining patients waiting over 65 weeks.

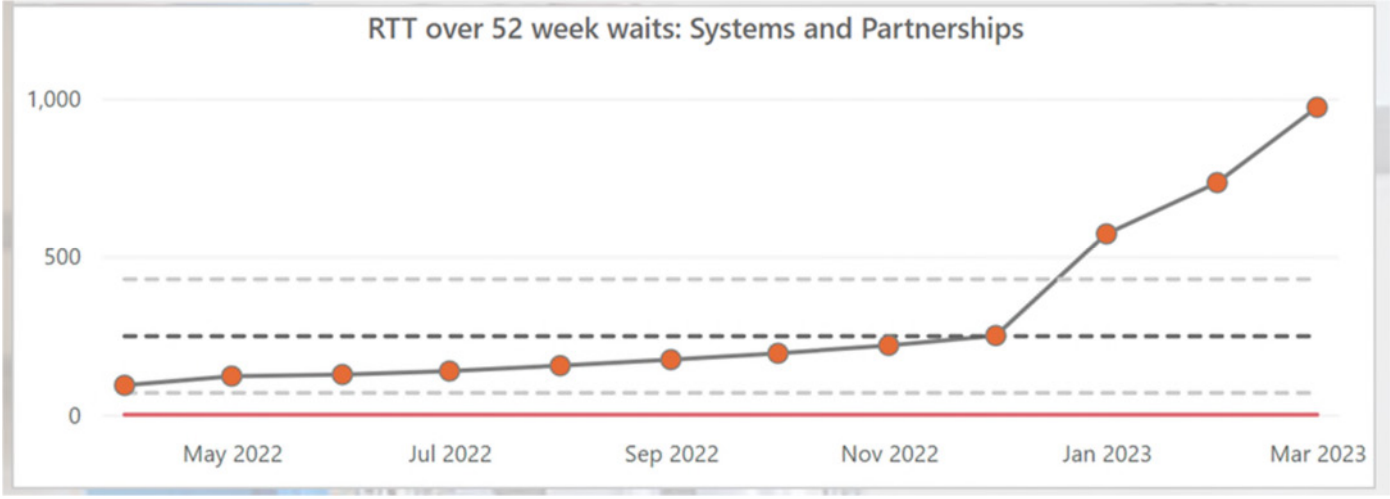
The Trust retained its position of having one of the lowest backlogs of patients awaiting treatment in the region:

Region (9 April 2023)	104+	78w+	65ww+	>14ww (65w Cohort (March 2024)	52w+	Cancer 62d
MIDLANDS ALL ICS/ICB	79	3,257	24,645	696,958	88,112	4,473
HIGHEST ICS/ICB	53	805	5,895	119,964	19,647	553
NORTHAMPTONSHIRE ICB	0	1	55	32,185	1,335	194

LOWEST ICS/ICB	0	1	55	27,855	1,335	194



The Trust continues to be a pilot site for reporting on the new national standard for elective care. The pilot, which began in July 2019, remains in place and notes the average time to treatment. The Trust has delivered against the target during the year up until September seeing an increase due to the increased over 52-week wait position. This has now seen a reduction at year end with a focus on reducing the longest waiters and clearance of over 78 and over 65 week waits.



The Trust has maintained one of the lowest backlogs in the region throughout the year, and was asked to support the University Hospitals Leicester NHS Trust to treat its patients. NGH went on to successfully treat 140 patients who had waited over 104 weeks for treatment.

Resultant cancellations and the prioritisation of Cancer cases resulted in the increased 52-week wait position which can be seen at year end.

The long waits for treatment by the patients referred from Leicester meant that their treatment was prioritised, thus further impacting on the Trust's ability to treat patients on its waiting lists and contributing to a deteriorating 52-week wait position.

Severe operational pressures saw the Trust fluctuate between critical incident and OPEL 4 (the highest level of internal operational pressure) status, with routine activity being delayed combined with theatre maintenance and seasonal reduction of activity exacerbating the backlog. Elective operating focussed on ensuring our cancer and urgent patients continued to get treatment.

To summarise, the Trust has seen an increase in the number of patients waiting over 52 weeks for treatment due to theatre staffing issues and cancellations, urgent and emergency care pressures and increased demand in theatre and urgent cases and is reflective of an increased referral rate, increased demand and reduced clearance.

At year end the Trust has maintained regionally a comparatively good performance despite challenges and retains one of the lowest backlogs being seventh in the region and has successfully cleared all waits for treatment over 78 and 104 weeks by year end.

Further to the impact of industrial action in March and the new financial year the Trust now aims to continue focus on recovery and clear the backlog with trajectory to clear all over 65 week waits.

Org co	Org Name	w e 05 Mar 23	w e 12 Mar 23	w e 19 Mar 23	w e 26 Mar 23	w e 02 Apr 23	w e 09 Apr 23	Change from previous week	Average volume change per week (based on latest 4 weeks)	Difference from weekly change to 4 week ave
Y60	MIDLANDS	88,788	88,103	87,269	86,578	85,868	88,112	2,244	2	2,242
QHL	NHS BIRMINGHAM AND SOLIHULL INTEGRATED CARE BOARD	20,822	20,480	20,192	19,751	19,112	19,647	535	208	743
QUA	NHS BLACK COUNTRY INTEGRATED CARE BOARD	8,837	9,069	9,172	9,778	10,001	10,149	148	270	122
QWU	NHS COVENTRY AND WARWICKSHIRE INTEGRATED CARE BOARD	5,799	5,889	5,982	6,039	6,145	6,434	289	136	153
QJ7	NHS DERBY AND DERBYSHIRE INTEGRATED CARE BOARD	8,080	7,980	7,843	7,512	7,548	7,836	288	36	324
QGH	NHS HEREFORDSHIRE AND WORCESTERSHIRE INTEGRATED CARE BOARD	8,797	8,710	8,661	8,642	8,670	8,878	208	42	166
QK1	NHS LEICESTER, LEICESTERSHIRE AND RUTLAND INTEGRATED CARE BOARD	13,941	13,433	13,068	12,626	12,405	12,342	63	273	210
QJM	NHS LINCOLNSHIRE INTEGRATED CARE BOARD	7,459	7,374	7,216	7,209	7,259	7,517	258	36	222
QFM	NHS NORTHAMPTONSHIRE INTEGRATED CARE BOARD	889	989	1,109	1,197	1,206	1,335	129	87	43
QT1	NHS NOTTINGHAM AND NOTTINGHAMSHIRE INTEGRATED CARE BOARD	4,755	4,769	4,574	4,542	4,351	4,528	177	60	237
QOC	NHS SHROPSHIRE, TELFORD AND WREKIN INTEGRATED CARE BOARD	4,301	4,295	4,286	4,130	3,999	4,071	72	56	128
QNC	NHS STAFFORDSHIRE AND STOKE-ON-TRENT INTEGRATED CARE BOARD	5,108	5,115	5,166	5,152	5,172	5,375	203	65	138
RQ3	BIRMINGHAM WOMEN'S AND CHILDREN'S NHS FOUNDATION TRUST	811	795	786	767	777	808	31	3	28
RFS	CHESTERFIELD ROYAL HOSPITAL NHS FOUNDATION TRUST	1,255	1,279	1,321	1,293	1,307	1,354	47	19	28
RLT	GEORGE ELIOT HOSPITAL NHS TRUST	85	105	116	110	114	124	10	5	5
RNQ	KETTERING GENERAL HOSPITAL NHS FOUNDATION TRUST	181	177	204	226	230	262	32	21	11
RNS	NORTHAMPTON GENERAL HOSPITAL NHS TRUST	708	812	905	971	976	1,073	97	65	32
RX1	NOTTINGHAM UNIVERSITY HOSPITALS NHS TRUST	3,927	3,907	3,707	3,707	3,533	3,690	157	54	211
RXK	SANDWELL AND WEST BIRMINGHAM HOSPITALS NHS TRUST	2,453	2,515	2,676	2,766	2,858	2,999	141	121	20
RXS	SHERWOOD FOREST HOSPITALS NHS FOUNDATION TRUST	828	862	867	835	818	838	20	6	26
RXW	SHREWSBURY AND TELFORD HOSPITAL NHS TRUST	2,928	2,926	2,904	2,776	2,719	2,784	65	36	101
RJC	SOUTH WARWICKSHIRE NHS FOUNDATION TRUST	792	805	800	800	800	818	18	3	15
RNA	THE DUDLEY GROUP NHS FOUNDATION TRUST	1,658	1,704	1,739	1,787	1,883	1,962	79	65	15
RL1	THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST	1,373	1,369	1,382	1,354	1,280	1,287	7	21	28
RRJ	THE ROYAL ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST	122	107	104	98	94	98	4	2	6
RL4	THE ROYAL WOLVERHAMPTON NHS TRUST	3,259	3,393	3,249	3,713	3,763	3,671	92	70	162
RWD	UNITED LINCOLNSHIRE HOSPITALS NHS TRUST	7,459	7,374	7,216	7,209	7,259	7,517	258	36	222
RRK	UNIVERSITY HOSPITALS BIRMINGHAM NHS FOUNDATION TRUST	19,889	19,578	19,302	18,886	18,241	18,741	500	209	709
RK9	UNIVERSITY HOSPITALS COVENTRY AND WARWICKSHIRE NHS TRUST	4,922	4,979	5,066	5,129	5,231	5,492	261	128	133
RTG	UNIVERSITY HOSPITALS OF DERBY AND BURTON NHS FOUNDATION TRUST	6,825	6,701	6,522	6,219	6,241	6,482	241	55	296
RWT	UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST	13,941	13,433	13,068	12,626	12,405	12,342	63	273	210
RJE	UNIVERSITY HOSPITALS OF NORTH MIDLANDS NHS TRUST	5,108	5,115	5,166	5,152	5,172	5,375	203	65	138
RBK	WALSALL HEALTHCARE NHS TRUST	1,467	1,457	1,508	1,512	1,497	1,517	20	15	5
RWP	WORCESTERSHIRE ACUTE HOSPITALS NHS TRUST	7,608	7,506	7,459	7,446	7,453	7,661	208	39	169
RLQ	WYE VALLEY NHS TRUST	1,189	1,204	1,202	1,196	1,217	1,217	0	3	-3

6-week diagnostic target

Whilst the 6-week performance for diagnostics was not achieved this year, there has been significant improvement in performance at year end. The last quarter (January to March 2023) saw a month-on-month improvement to 67.93%, with focused work to prioritise long waits and

further diagnostic capacity, including the provision of community diagnostic centres in the north and west of the county.

A number of significant pressures and constraints continued to impact during the year:

1. High volume of referrals with increased inpatient, cancer and urgent care demand with unprecedented demand across all modalities. The volume of cancer inpatient demand and urgent care work has impacted on the backlog clearance
2. Sickness and equipment issues
3. Continued emergency pressures and COVID-19 demand
4. Skill mix within the modalities to meet demand of tests needed
5. Echo and MRI were the most challenged specialties

Regional Diagnostic Recovery Position

As can be seen below, NGH's performance compared well compared to regional peers, achieving the average of 67% and reducing the number of patients waiting 13 weeks to 1,196 at year end. The new year has seen a further significant reduction with accelerated Community Diagnostic Centre (CDC) capacity.

FinYr

2022-23

Imaging Network

All

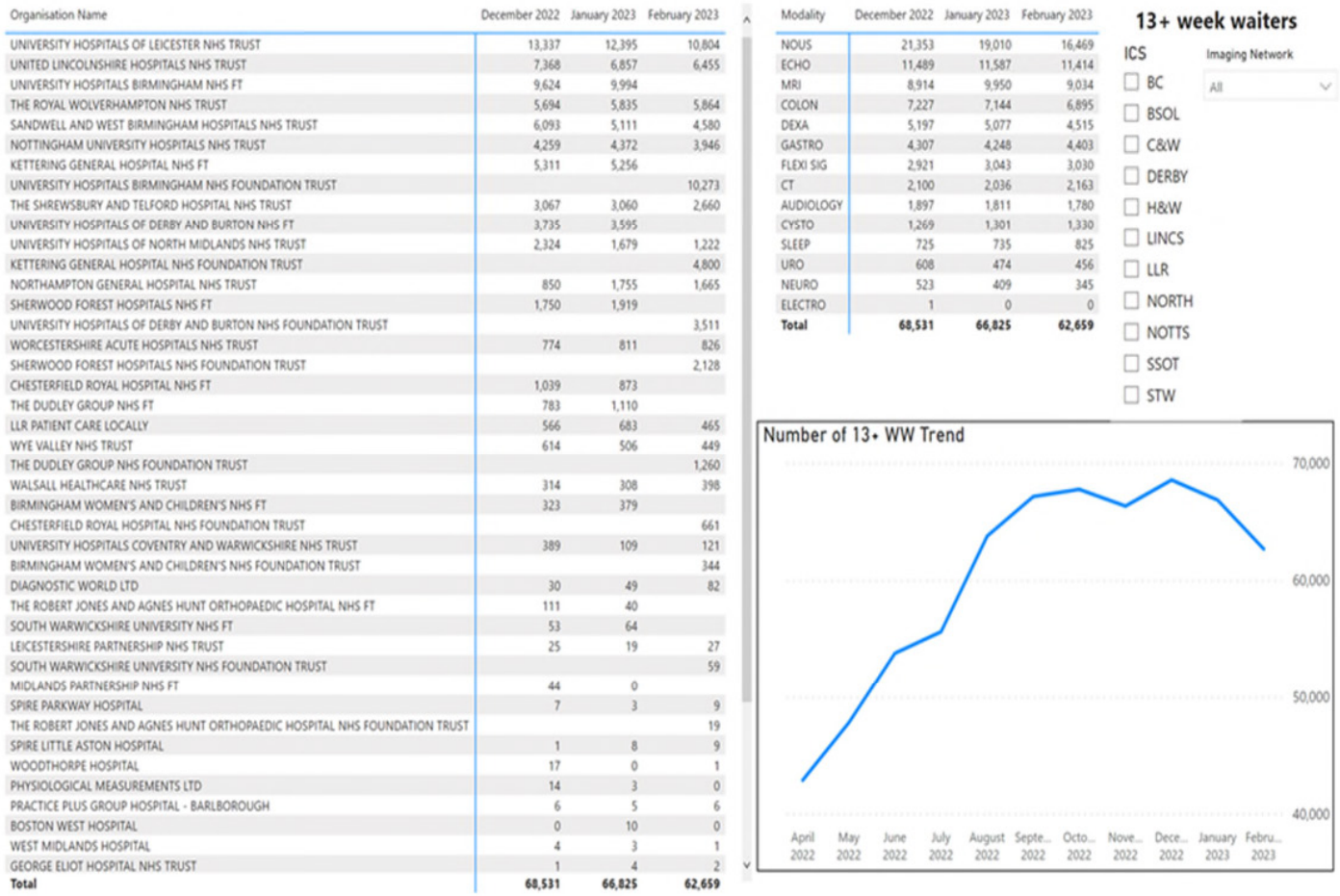
Reporting Time

April 2022 | May 2022 | June 2022 | July 2022 | August 2022 | September 2... | October 2022 | November 20... | December 20... | January 2023 | February 2023

Selecting an ICB from the top table will filter the bottom table to display providers within that system.

ICS	AUDIOLOGY	BARIUM	COLON	CT	CYSTO	DEXA	ECHO	ELECTRO	FLEXI SIG	GASTRO	MRI	NEURO	NOUS	SLEEP	URO	Total
NHS BIRMINGHAM AND SOLIHULL INTEGRATED CARE BOARD	93%	100%	26%	91%	37%	28%	98%		15%	31%	65%	54%	62%	69%	30%	**60%**
NHS BLACK COUNTRY INTEGRATED CARE BOARD	74%		47%	89%	44%	76%	50%		49%	50%	92%	78%	53%	71%	99%	**62%**
NHS COVENTRY AND WARWICKSHIRE INTEGRATED CARE BOARD	72%		92%	100%	77%	100%	89%		82%	84%	99%	99%	94%	93%	85%	**94%**
NHS DERBY AND DERBYSHIRE INTEGRATED CARE BOARD	46%		46%	66%	79%	98%	61%		37%	73%	72%	93%	92%	87%	31%	**70%**
NHS HEREFORDSHIRE AND WORCESTERSHIRE INTEGRATED CARE BOARD	91%		49%	99%	44%	75%	82%		63%	69%	88%	94%	93%	78%	46%	**82%**
NHS LEICESTER, LEICESTERSHIRE AND RUTLAND INTEGRATED CARE BOARD	88%	100%	46%	68%	79%	26%	63%	100%	55%	36%	76%	100%	48%	43%	26%	**56%**
NHS LINCOLNSHIRE INTEGRATED CARE BOARD	88%		99%	100%	89%	25%	17%		100%	99%	70%	99%	100%		33%	**60%**
NHS NORTHAMPTONSHIRE INTEGRATED CARE BOARD	99%		97%	79%	95%	100%	39%		96%	91%	38%	82%	59%	77%	100%	**55%**
NHS NOTTINGHAM AND NOTTINGHAMSHIRE INTEGRATED CARE BOARD	87%		66%	77%	71%	78%	43%		49%	62%	53%	100%	83%	46%	72%	**66%**
NHS SHROPSHIRE, TELFORD AND WREKIN INTEGRATED CARE BOARD	58%		19%	96%	57%	100%	76%		27%	52%	93%	53%	87%	57%	12%	**76%**
NHS STAFFORDSHIRE AND STOKE-ON-TRENT INTEGRATED CARE BOARD	98%		36%	99%	82%	94%	60%		37%	62%	87%	100%	67%	91%	100%	**76%**
Total	**78%**	**100%**	**44%**	**85%**	**59%**	**49%**	**50%**	**100%**	**41%**	**53%**	**71%**	**80%**	**69%**	**68%**	**48%**	**67%**

Organisation Name	AUDIOLOGY	BARIUM	COLON	CT	CYSTO	DEXA	ECHO	ELECTRO	FLEXI SIG	GASTRO	MRI	NEURO	NOUS	SLEEP	URO	Total
BEACON PARK HOSPITAL			100%		50%				75%	75%	100%					**75%**
BIRMINGHAM WOMEN'S AND CHILDREN'S NHS FOUNDATION TRUST	100%	100%	100%	57%	21%	100%	100%			94%	44%		74%	89%	19%	**72%**
BOSTON WEST HOSPITAL			50%													**50%**
CHESTERFIELD ROYAL HOSPITAL NHS FOUNDATION TRUST	52%		90%	99%	100%	99%	43%		90%	89%	100%		100%		15%	**80%**
DIAGNOSTIC WORLD LTD													66%			**66%**
DROITWICH SPA HOSPITAL				100%							100%		82%			**92%**
GEORGE ELIOT HOSPITAL NHS TRUST			99%	100%	91%	100%	100%		98%	100%	100%		100%	100%	100%	**99%**
KETTERING GENERAL HOSPITAL NHS FOUNDATION TRUST	100%		92%	71%	94%		41%		95%	86%	32%	68%	49%	25%	100%	**47%**
LEICESTERSHIRE PARTNERSHIP NHS TRUST	78%															**78%**
LINCOLN HOSPITAL											100%		100%			**100%**
LLR PATIENT CARE LOCALLY							95%						55%			**65%**
MERIDEN HOSPITAL				100%							100%		100%			**100%**
MIDLANDS PARTNERSHIP NHS FOUNDATION TRUST						94%										**94%**
NORTHAMPTON GENERAL HOSPITAL NHS TRUST	98%		99%	86%	100%	100%	37%		100%	100%	46%	100%	82%	100%		**64%**
NOTTINGHAM UNIVERSITY HOSPITALS NHS TRUST	53%		57%	74%	87%	72%	59%		43%	55%	41%	100%	73%	50%	61%	**59%**
Total	**78%**	**100%**	**44%**	**85%**	**59%**	**49%**	**50%**	**100%**	**41%**	**53%**	**71%**	**80%**	**69%**	**68%**	**48%**	**67%**



Organisation Name	December 2022	January 2023	February 2023
UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST	13,337	12,395	10,804
UNITED LINCOLNSHIRE HOSPITALS NHS TRUST	7,368	6,857	6,455
UNIVERSITY HOSPITALS BIRMINGHAM NHS FT	9,624	9,994	
THE ROYAL WOLVERHAMPTON NHS TRUST	5,694	5,835	5,864
SANDWELL AND WEST BIRMINGHAM HOSPITALS NHS TRUST	6,093	5,111	4,580
NOTTINGHAM UNIVERSITY HOSPITALS NHS TRUST	4,259	4,372	3,946
KETTERING GENERAL HOSPITAL NHS FT	5,311	5,256	
UNIVERSITY HOSPITALS BIRMINGHAM NHS FOUNDATION TRUST			10,273
THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST	3,067	3,060	2,660
UNIVERSITY HOSPITALS OF DERBY AND BURTON NHS FT	3,735	3,595	
UNIVERSITY HOSPITALS OF NORTH MIDLANDS NHS TRUST	2,324	1,679	1,222
KETTERING GENERAL HOSPITAL NHS FOUNDATION TRUST			4,800
NORTHAMPTON GENERAL HOSPITAL NHS TRUST	850	1,755	1,665
SHERWOOD FOREST HOSPITALS NHS FT	1,750	1,919	
UNIVERSITY HOSPITALS OF DERBY AND BURTON NHS FOUNDATION TRUST			3,511
WORCESTERSHIRE ACUTE HOSPITALS NHS TRUST	774	811	826
SHERWOOD FOREST HOSPITALS NHS FOUNDATION TRUST			2,128
CHESTERFIELD ROYAL HOSPITAL NHS FT	1,039	873	
THE DUDLEY GROUP NHS FT	783	1,110	
LLR PATIENT CARE LOCALLY	566	683	465
WYE VALLEY NHS TRUST	614	506	449
THE DUDLEY GROUP NHS FOUNDATION TRUST			1,260
WALSALL HEALTHCARE NHS TRUST	314	308	398
BIRMINGHAM WOMEN'S AND CHILDREN'S NHS FT	323	379	
CHESTERFIELD ROYAL HOSPITAL NHS FOUNDATION TRUST			661
UNIVERSITY HOSPITALS COVENTRY AND WARWICKSHIRE NHS TRUST	389	109	121
BIRMINGHAM WOMEN'S AND CHILDREN'S NHS FOUNDATION TRUST			344
DIAGNOSTIC WORLD LTD	30	49	82
THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS FT	111	40	
SOUTH WARWICKSHIRE UNIVERSITY NHS FT	53	64	
LEICESTERSHIRE PARTNERSHIP NHS TRUST	25	19	27
SOUTH WARWICKSHIRE UNIVERSITY NHS FOUNDATION TRUST			59
MIDLANDS PARTNERSHIP NHS FT	44	0	
SPIRE PARKWAY HOSPITAL	7	3	9
THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST			19
SPIRE LITTLE ASTON HOSPITAL	1	8	9
WOODTHORPE HOSPITAL	17	0	1
PHYSIOLOGICAL MEASUREMENTS LTD	14	3	0
PRACTICE PLUS GROUP HOSPITAL - BARLBOROUGH	6	5	6
BOSTON WEST HOSPITAL	0	10	0
WEST MIDLANDS HOSPITAL	4	3	1
GEORGE ELIOT HOSPITAL NHS TRUST	1	4	2
Total	**68,531**	**66,825**	**62,659**

Modality	December 2022	January 2023	February 2023
NOUS	21,353	19,010	16,469
ECHO	11,489	11,587	11,414
MRI	8,914	9,950	9,034
COLON	7,227	7,144	6,895
DEXA	5,197	5,077	4,515
GASTRO	4,307	4,248	4,403
FLEXI SIG	2,921	3,043	3,030
CT	2,100	2,036	2,163
AUDIOLOGY	1,897	1,811	1,780
CYSTO	1,269	1,301	1,330
SLEEP	725	735	825
URO	608	474	456
NEURO	523	409	345
ELECTRO	1	0	0
Total	**68,531**	**66,825**	**62,659**

Urgent Care

There was a steady increase in attendances through the year, during which COVID-19 cases required the retention of pathway changes and isolation rules within the Emergency Department (ED), and the situation exacerbated by increased 'flu and respiratory cases.

Improvements to internal processes and collaborative working within the local health system contributed to the length of stay for patients awaiting community and social care, reducing by 12 days, comprising two days from internal processes and ensuring our patients were declared medically fit earlier in pathways, and 10 days from the system working. This was achieved through the early agreement of comprehensive packages to support pathways at the start of the year.

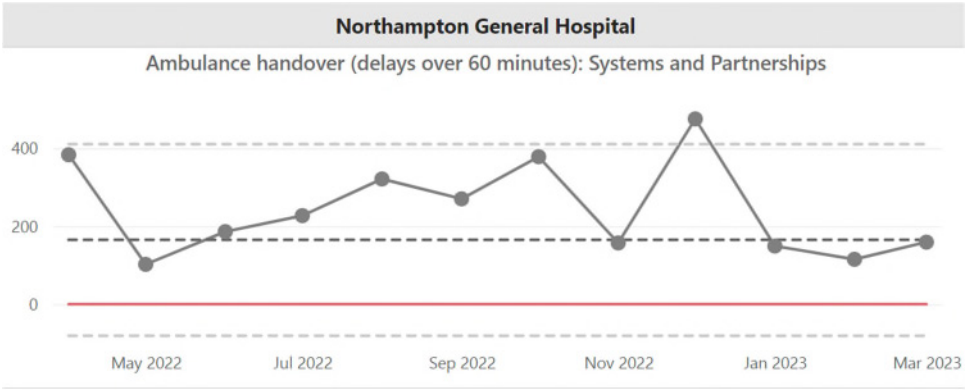
Additionally, the internal flow programme of activity supported the length of stay for those patients discharged home by focusing on:

- IV Antibiotics in the community
- Board rounds supporting next steps and escalating issues from doctors
- New dashboard reports, created to support visibility
- Frailty Same Day Emergency Care (SDEC) moving to extended days and
- Seven days per week working, alongside medical SDEC opening to midnight to support the ED

The winter period nevertheless saw extraordinarily high attendances in December, causing significant delays and the use of our elective capacity for the first time this calendar year (the Elective Orthopaedic Unit was used for 4 weeks this year, compared to over 10 weeks the year before).

The Trust has invested in patient safety throughout this period, including the daily deployment of medical consultants in ED to enable earlier patient assessment.

Ambulance delays over an hour have been a recurrent issue throughout the year. As the graph shows, since December, a change in the way ED manage the first 60 minutes contributed to reduced delays. The Trust usually managed to avoid breaches; however, this was not possible when ED capacity was exceeded and onward patient flow through the hospital delayed. The ED team continue to work closely with the East Midlands Ambulance Service to ensure that patients are seen and cared for whilst waiting to enter the department.



Despite how difficult the winter has been, data has shown that previously, the Trust would have taken six weeks to recover from the position in December. This year, this only took 11 days. Additionally, Northamptonshire was the ICS in the Midlands to have reduced its number of patients over 21 days, and also the only ICS to have reduced the number of residents aged over 75, from attending ED.

Overall, good progress was achieved during 2022-23, with the expectation of further improvement during the year to come.

Cancer waiting times standard

During 2022-23 the continued recovery of cancer services remained a priority for the Trust, with a commitment to reducing our long waiters, ensuring the best possible outcome and experience for our patients.

Performance overall remained variable, the Trust performed well in comparison to all the other Trusts in the Midlands, and against the national average performance.

The Trust was placed third in the region for the year for its performance against the 62-day standard achieving 62.2% against the 85% standard, in the previous year NGH was also ranked third and therefore sustained its position. No Trust in the region met the standard overall in 2022-23 with the top Trust only achieving 65.7%, showing how challenging the recovery of this has been since COVID-19-19.

The emphasis has been on reducing those patients waiting beyond 62 days on a pathway as it is recognised that, until the number of patients waiting is reduced, the recovery of the 62-day standard is unachievable.

The Trust was placed second in the region for the two-week wait standard, achieving 90.9% against the 93% standard. No Trust in the region met this standard overall for the year; however, NGH did meet the standard six times in the past 12 months.

The Trust was placed second in the region for its performance against the 28-day faster diagnosis standard surpassing the 75% standard at 81%. NGH ranked second in the previous year so sustained its position.

Whilst the Trust has not seen an overall improvement, it is nevertheless commendable to sustain its position in the context of an increase of 6.9% in referrals from 2021-22 to 2022-23.

The Cancer Strategy Group has continued to meet throughout the year, overseeing performance and strategic goals for cancer.

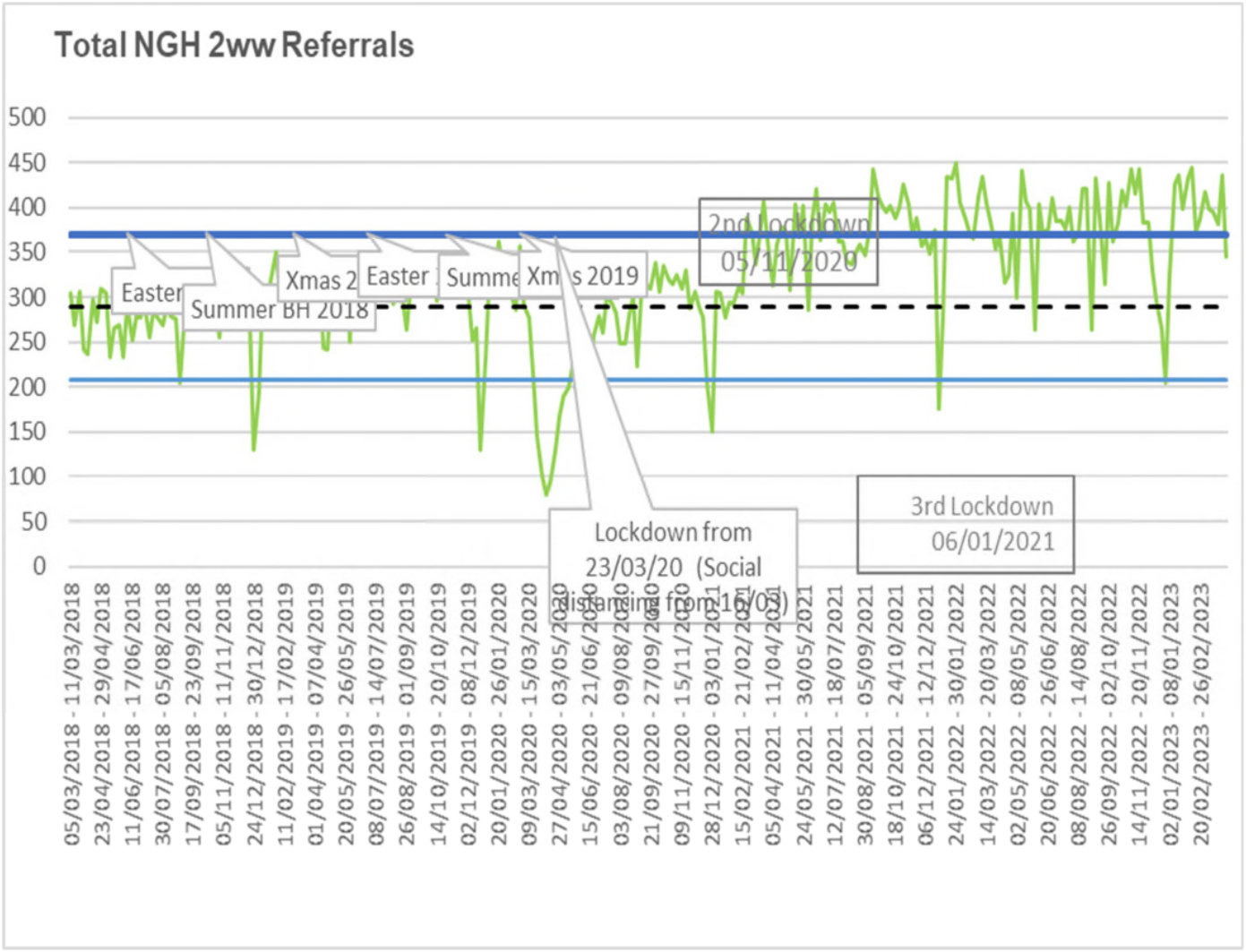
During 2021-22 the clinical teams made significant pathway changes, in 2022-23 the emphasis was on embedding these changes into clinical practice and reducing the time to key milestones in each pathway.

Performance below for 2022-23 by quarter

Cancer Waits 31 Day	**Target**	**Q1**	**Q2**	**Q3**	**Q4**
31 Day First Treatment Standard - Target = 96% (Operational Standard)	96%	91.4%	91.4%	92.2%	90.8%
31 Day Subsequent Treatment Standards DRUGS	98%	99.6%	98.5%	100%	100%
31 Day Subsequent Treatment Standards RADIOTHERAPY	94%	97.5%	99.0%	97.2%	94.1%
31 Day Subsequent Treatment Standards SURGERY	94%	88.5%	75.8%	72.5%	73.9%
Cancer Waits 62 Day	**Target**				
62 Day First Treatment Standard - Target = 85% (Operational Standard)	85%	64.7%	65.3%	59.7%	63.3%
62 Day Screening Standard - Target = 90% (Operational Standard)	90%	82.9%	74.2%	83.0%	73.3%
Cancer Faster Diagnosis Standard	**Target**				
Cancer Two Week Wait Standard - Target = 75% (Operational Standard)	75%	80.1%	79.8%	82.4%	82.9%

Receipt of 2ww referrals

During 2022-23, the Trust received 19,899 two-week wait referrals, representing a 6.9% increase compared to 2021-22. The increase in referrals the first year after COVID-19 has stabilised and the increase is within the expected normal range trusts saw before the pandemic; this is shown below:



28 Day Faster Diagnosis Standard

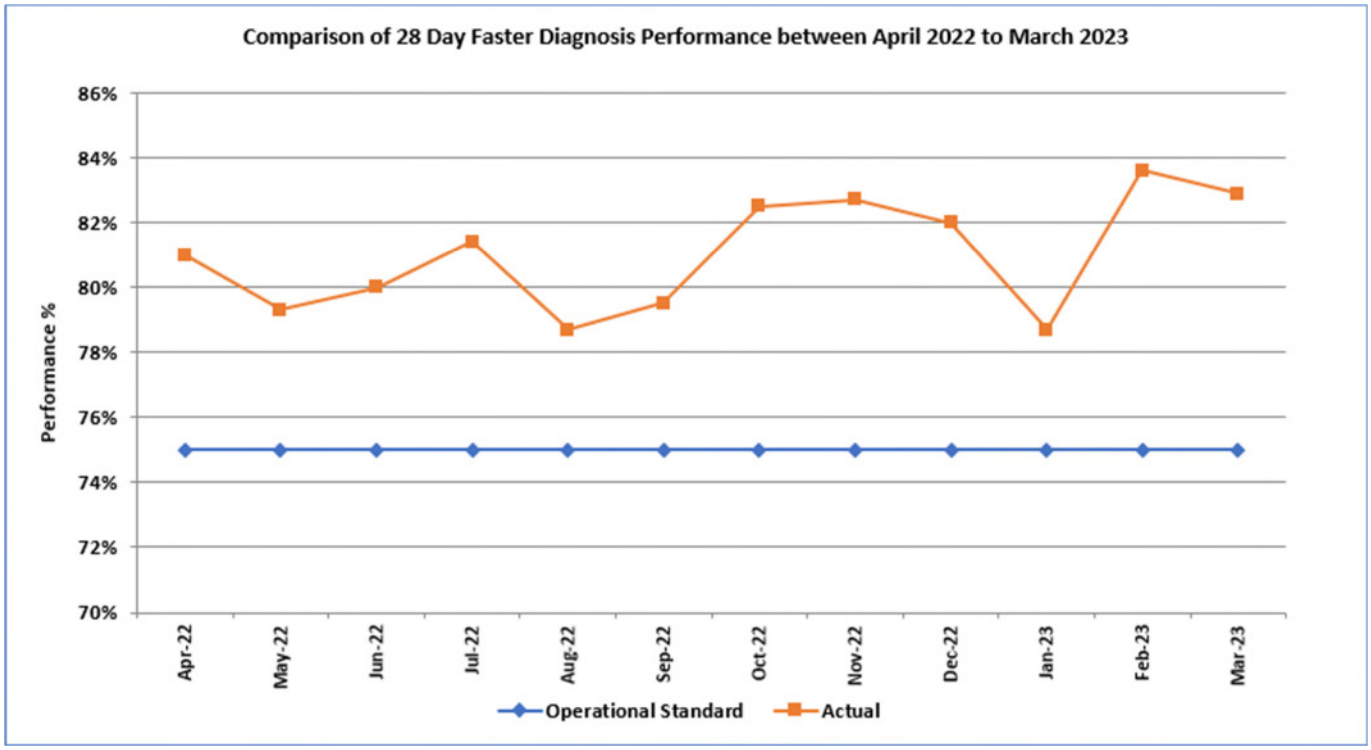
During 2022-23, NGH continued to surpass the 28-day faster diagnosis standard, illustrated below.

Telling patients that they do not have cancer in a timely manner is imperative for their wellbeing, and in turn frees up Trust capacity to treat those with cancer quickly to ensure the best possible outcomes.

NGH hosted a visit with the National Faster Diagnosis Team and the Head of Service for the East Midlands Cancer Alliance in October 2022. The visit showcased our pathway innovations which have enabled the sustained delivery of the 28-day faster diagnosis standard.

The team met with the breast, gynaecology, colorectal, skin and urology clinical teams. The day was a huge success with very positive feedback around the passion and close-knit team working we demonstrated. The national team agreed to encompass some of the learning into its 2023/-4 planning.

Our clinical teams have also presented at regional and national events showcasing pathway redesign in the past year and have offered mutual aid to hospitals outside of the county for urology and the head and neck pathways.

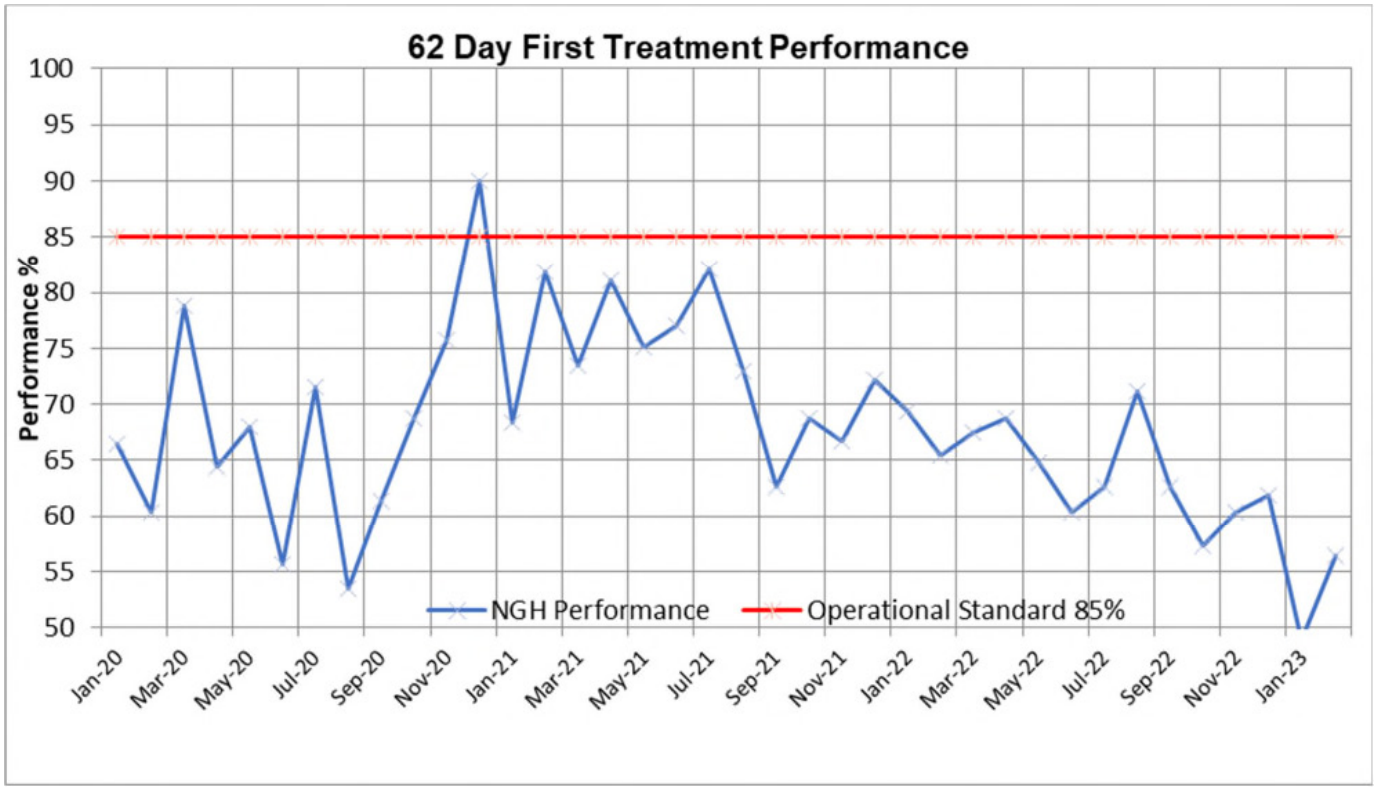


62 Day First Treatment

It continues to be recognised nationally that meeting the 62-day standard is challenging. Trusts have again been asked to provide a trajectory to NHSE for 2023-24 on how they would reduce their 'legacy patients' rather than when they expect to meet this standard, recognising recovery of this standard starts with the reduction in long waiters.

62-day performance against the 85% standard is shown below:

- Quarter 1- 64.7% second in the East Midlands region
- Quarter 2- 65.3% first in the East Midlands region
- Quarter 3- 59.7% fourth in the East Midlands region
- Quarter 4 – 63.3% fourth in the East Midlands region



Reducing patients on their pathways beyond 62 days (Legacy Patients)

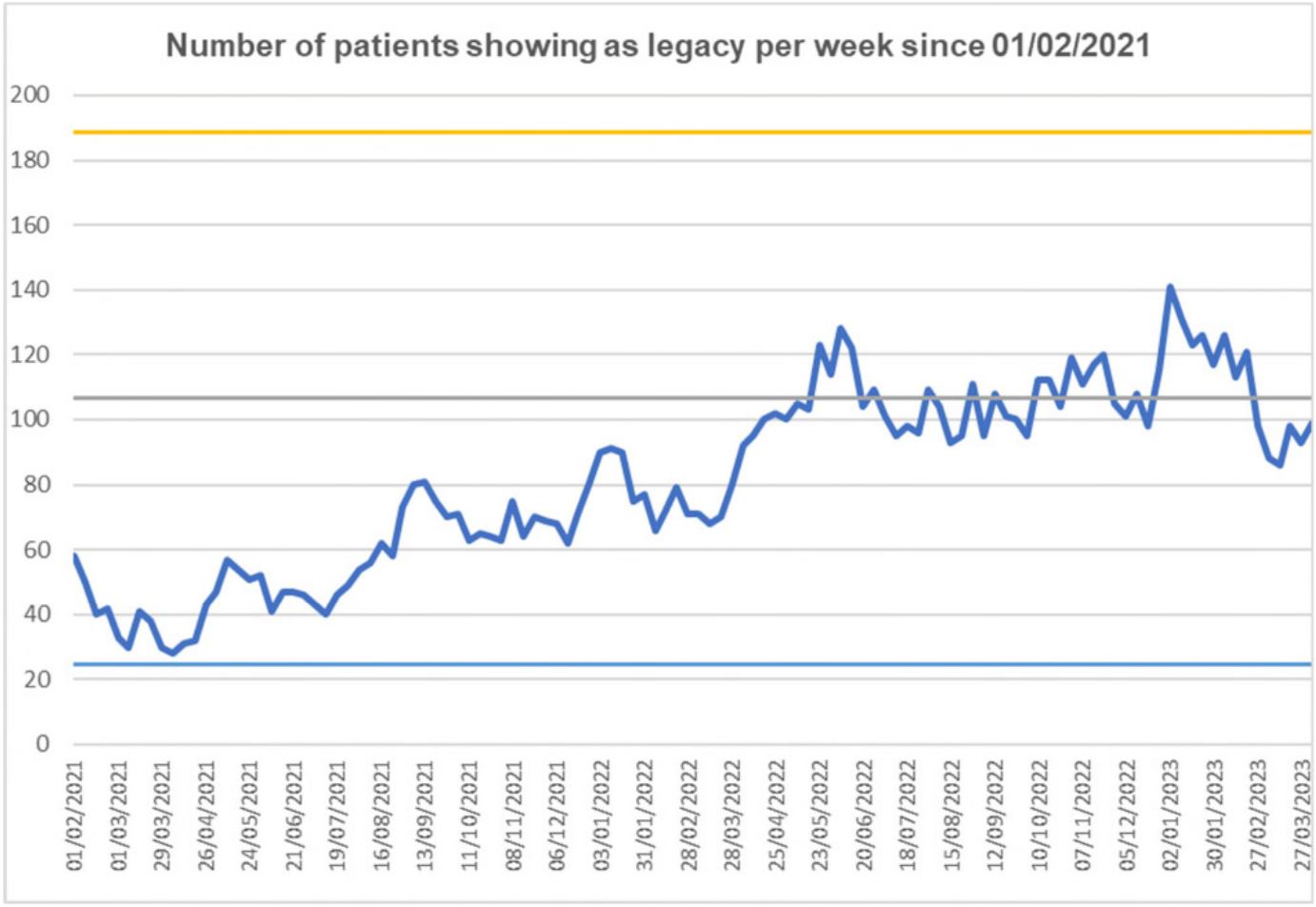
NGH continues to be committed in reducing patients on their pathway beyond 62 days. The management of patients is overseen by site teams, and the corporate waiting list monitoring meetings, with 'deep dive' meetings as required with the Cancer Management Team.

Utilisation of the Trust escalation policy identifies patients not meeting key milestones, enabling clinical teams to reprioritise if they are able.

As a cancer centre, we continue to receive referrals for the treatment of patients; 80.8% of these in 2022-23 were received after day 38 on the pathway, leaving NGH 24 days to treat, which has been very challenging due to surgical capacity and oncological planning and capacity.

The Trust legacy position has had peaks and troughs in the past year; it has been higher in 2022-23 than the previous year but has still not exceeded pre-COVID-19 levels, as illustrated below.

At March 2023, the regional percentage of patients waiting over 62 days was 9.1%, and the national average was 7.8%. The figure for Northamptonshire as an Integrated Care System (NGH and KGH combined) was 7.1%. We ranked second in the region of 11 ICSs for having the lowest percentage waiting on our lists, as illustrated below.



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Cancer Recovery and Performance Dashboard

		Recovery					Cancer Waiting Time Performance		
		1a. Levels of Urgent Suspected Cancer Referrals seen (Latest month)	1b. Levels of Urgent Suspected Cancer Referrals seen (Cumulative March 2020 to latest month)	2a. Levels of First Treatments for Cancer (Latest month)	2b. Levels of First Treatments for Cancer (Cumulative - March 2020 to latest month)	3. Proportion of Urgent GP Cancer PTL waiting >62 days	4. Faster Diagnosis Standard Performance	5. 31 day First Treatment Performance	6. 62 day Urgent Referral to 1st Treatment Performance
	Benchmark	G:>=110% A:100-110% R:<100%	N/A	G:>=110% A:100-110% R:<100%	N/A	G:<=6.4% A:6.4%-8% R:>8%	G:>=75% A:70-75% R:<70%	G:>=96% A:94%-96% R:<94%	G:>=85% A:77.5-85% R:<77.5%
	Period	Jan-23	Mar-20 -Jan-23	Jan-23	Mar-20 -Jan-23	We 05 Mar 23	Jan-23	Jan-23	Jan-23
	ICSs meeting standard	11/11		5/11		0/11	1/11	0/11	0/11
	Region ranking	5/7	4/7	2/7	6/7	6/7	5/7	7/7	7/7
East Midlands	Derbyshire	123.6%	103.9%	110.0%	93.1%	8.7%	70.4%	82.5%	48.6%
	Leicester, Leicestershire and Rutland	134.5%	109.8%	108.7%	92.5%	10.8%	68.0%	81.2%	35.5%
	Lincolnshire	116.4%	107.5%	122.0%	98.2%	9.7%	56.3%	86.1%	41.3%
	Northamptonshire	133.8%	104.8%	107.4%	97.0%	7.1%	81.0%	85.9%	50.0%
	Nottinghamshire	120.9%	109.8%	94.1%	97.4%	7.9%	73.2%	83.9%	59.1%
West Midlands	Birmingham and Solihull	133.0%	101.2%	123.9%	101.9%	9.6%	66.2%	80.0%	37.6%
	Coventry and Warwickshire	115.7%	101.0%	115.5%	102.8%	6.7%	63.6%	94.8%	52.5%
	Herefordshire and Worcestershire	114.3%	98.9%	141.0%	103.7%	10.7%	64.2%	91.7%	44.6%
	Shropshire, Telford and Wrekin	121.4%	96.3%	106.5%	95.0%	14.0%	60.7%	77.1%	39.3%
	Staffordshire and Stoke on Trent	138.7%	110.7%	112.8%	99.0%	7.5%	64.7%	85.9%	45.3%
	The Black Country and West Birmingham	111.3%	100.1%	91.1%	88.1%	8.7%	65.5%	85.0%	41.9%
	Region overall	124.0%	104.3%	111.0%	96.7%	9.1%	66.4%	85.1%	45.0%
	Change since last period (region)	13.8%	0.5%	4.3%	0.4%	-1.4%	-2.8%	-3.7%	-6.9%
	England overall	124.6%	104.7%	106.4%	98.2%	7.8%	67.0%	88.5%	54.4%

- Note- Measures 1,2, 47 are population based at both regional and ICB level (commissioner based). Measure 3 (Cancer PTL) is for providers within an ICB. Information on this slide is updated monthly.

Workforce Key Metrics (see also the analysis of Group People Plan Delivery, Staff Survey results and Equality and Diversity analysis, set out in the Staffing Report below)

Vacancy

Vacancies have been stable over the year with focused activity to recruit internationally educated nurses, midwives and Health Care Support Assistants (HCSWs) as well as ongoing recruitment in all professional groups. We have recruited 62 internationally educated nurses and 9 internationally educated midwives, reducing our ward nursing vacancies with the overall Trust vacancy position for nurses being 10.83% at year end. A particular focus on recruiting new HCSWs into the Trust has been undertaken resulting in a total of 152 HCSWs recruited during the year. International recruitment of medical staff has been successful this year, contributing to reducing the medical staff vacancies to 4.52% at year end.

Turnover

Turnover has been stable over the course of the year and consistently beneath the 10% target; however, during the latter part of the year, levels began to rise compared to pre-pandemic; there were local variations between departments. During the pandemic, the labour market slowed as people did not leave employment – now we are seeing turnover increasing as people are enacting decisions delayed by the pandemic (retirement and career progression and the buoyancy in the labour market). Where turnover has increased this is being addressed through comprehensive recruitment and retention plans ensuring staff experience and career development opportunities are attractive and fulfilling. At 31 March 2023, turnover was 7.8%.

Sickness absence

Sickness absence remained above the 3.8% target all year and fluctuated month on month peaking at 7.3%; however, during the last quarter of the year sickness absence reduced and been sustained to between 5% and 6% for the first time since 2021 (noting local variations within and between departments). At year end sickness absence was at 5.84%. Colleague attendance at work has been impacted particularly by absence due to COVID-19 infection, anxiety and depression. The Trust has put in place several mitigations to support colleagues to remain well and at work, including an enhanced wellbeing offer, mental health support and access to Stronger Together, our county-wide psychological support service. In addition, we help managers to support their staff by ensuring access to timely information, promoting a compassionate dialogue and ensuring managers know what assistance they can offer.

Appraisal

Appraisal completion rates have struggled to recover to reach target rates following the pandemic and the situation has been exacerbated by unprecedented demands on services. Appraisal completion rates were at 76.23% against a target of 85% at 31 March 2023. We continue to promote ‘Appraisal Light’ as an alternative means of completing appraisal, allowing managers to focus on short-term objectives and wellbeing. During 2023/24, we will be revising our appraisal process to ensure it meets the needs of the Group workforce and is aligned to our Excellence values.

Mandatory training

Mandatory training completion rates have been above the 85% target throughout the year, with local variations within and between departments. Information is available about completion rates, enabling managers to target support and offering a range of ways to complete mandatory training, including videos and workbooks as well as on-line provision. Our next target will be to align our mandatory training requirements across the University Hospitals of Northamptonshire Group to enable our staff greater flexibility to work at either Trust.

Sustainability 2022-23

The main focus for the year has been the implementation of the Public Sector Decarbonisation Scheme, the installation of Electric Vehicle charging points and the continued initiation of clinically led sustainability projects through the Green Team competition, Sustainable Development Committee, and the Sustainable Surgery Group.

Over the last twelve months:

- Carbon emissions from heat and power have remained approximately the same as the previous years, despite the addition of the new Critical Care Unit. All purchased electricity is from renewable sources.
- The first solar panels have been installed and generated 28,000kWh of electricity.
- The Trust has started work on its decarbonisation programme following the award of a £20.6 million government grant to reduce the carbon emissions from our buildings. In year one 3,500 lights have been replaced, more efficient catering equipment used for patient meals has been installed and over 80 more energy efficient fans have been installed in the air handling units across the site.
- Water consumption has increased from 156,935 to 160,137 cubic metres per year;
- Carbon emissions from inhaled anaesthetic gases have reduced beyond NHS targets and NGH became des'flurane free one year ahead of the NHS deadline.
- An additional 61 electric vehicle (EV) charging points have been added – so far approximately 37 tonnes of CO2e (equivalent) have been avoided by EV users
- Our first NHS Net Zero Apprentice was employed and started in November 2022
- We have installed outdoor air pollution monitors at strategic points across the site
- Sustainable Development Committee meets quarterly with representation from clinical and non-clinical departments.
- A Sustainable Surgery Group has been established.
- An ongoing review of food waste has highlighted the main causes of wasted food on wards and allowed targeted work by some of the wards with the highest wastage.
- Infection Prevention Team won two national sustainability awards.
- Dr Paul Slater won the first Sustainability Award in the University Hospitals of Northamptonshire Excellence awards in recognition of his efforts in driving sustainability in theatres.

Net Zero 2040

NGH is committed to Net Zero 2040 as defined by the Greener NHS Strategy. A summary of the contribution to this target from the different sources, and the change from 2022-23 is illustrated below. Carbon emissions from buildings have increased slightly. This is due to the addition of the new Critical Care Unit, a particularly hot summer, and the addition of an emergency boiler on standby due to works in the boiler house.

	2020/21	2021/22	2022-23
Energy (gas, electricity and renewables)	10,972 (10,389 excluding grid electricity offset with a REGO)	10,992 (10,406 excluding grid electricity from renewable sources)	11,045 (9,830 excluding grid electricity from renewable sources)
Anaesthetic gases including Entonox	1,330	1,539	1,521
'Fluorinated gases	232	131	330
Business mileage	147	186	211
Water	58	66	67
Waste	29	39	39
Metered Dose Inhalers	72 (13.6 kg per inhaler)	67 (8.27kg per inhaler)	*Not available*
TOTAL tCO_{2e}	**12,840**	**13,020**	**13,213**

Utility costs are shown below. Utility costs have shown a marked increase due to the rising cost of energy across the UK.

	2020/21	2021/22	2022-23
Consumption Data			
Gas kWh	56,298825	56,550,091	53,407,600
**Electricity kWh	16,097,978	16,603,105	17,676,059
Biomass	2,409,394	2,932,205	4,158,866
Water m^3	137,930	156,935	160,137
Business Travel miles	533,787	692,304	786,611
Renewable Electricity Generated Solar PV	0	0	28,264
Financial Data £			
Gas	1,252,413	1,300,780	2,338,641
Electricity	436,061	537,580	1,331,605
*Biomass	176,301	176,300	198,514
Water	342,673	379,610	383,331
Business Mileage	212,749	296,993	345,004
*Renewable Heat Incentive	(114,000)	(98,773)	(112,888)

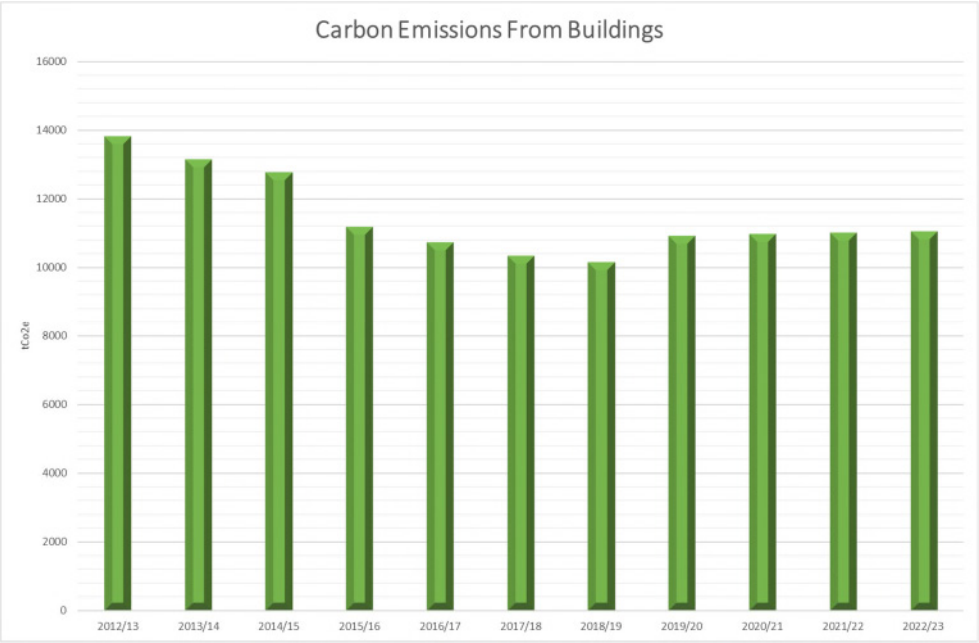
*Figures are approximate pending validation from Ofgem and our Energy Performance Certificate (EPC) supplier

** includes electricity generated from the Combined Heat and Power (CHP) plant and imported from the grid

Public Sector Decarbonisation Scheme

NGH has been awarded a government grant of £20.6million to start the process of decarbonising the hospital estate. This is a two-year project, to be completed in March 2024, which will see the replacement of the steam distribution system with low temperature hot water, the addition of a heat pump, solar panels, LED lights and more efficient motors, as well as upgrades to the building management control systems. This work has also enabled the upgrade of old, inefficient catering equipment used for patient meals. The scheme will take us approximately 30% of the way to the 2040 target of net zero, saving an estimated 3,400 tonnes

of CO^2 when complete. A decarbonisation plan to show the next steps to net zero has been commissioned and is due for completion in June 2023.

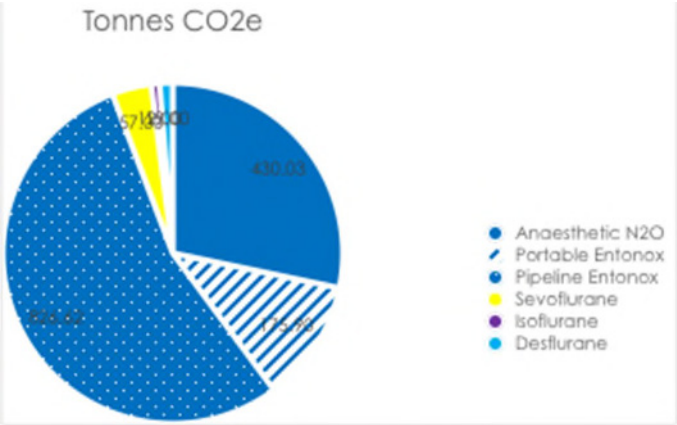


A major source of carbon emissions in hospitals is the use of anaesthetic gases. The target for consumption of des'flurane in the NHS standard contract for 2022-23 was less than 5% by volume, and by the end of 2023/24 the NHS will no longer purchase des'flurane. NGH was already ahead of this work and have removed des'flurane completely from 1st April 2023. Figures for the use of des'flurane are higher this year than last, as this includes the return of the bottles that have expired and that were used as there is no effective way of returning them. In addition to saving hundreds of tonnes of carbon, the removal of des'flurane also results in a significant financial saving. In recognition of his efforts in driving sustainability in theatres, and, in particular the removal of des'flurane, Dr Paul Slater, Consultant Anaesthetist was given the Sustainability Award in the University of Northamptonshire Group's (UHN) Excellence Awards.

	Sevo'flurane	Iso'flurane	Des'flurane
2018/19	62%	4%	34%
2019/20	74%	5%	24%
2020/21	85%	7%	8%
2021/22	92.9%	6.7%	0.4%
2022-23	93.2%	5.2%	1.7%

Nitrous oxide (laughing gas), used as an anaesthetic and in maternity areas, is also a source of carbon emissions in hospitals. NGH use of nitrous oxide in theatres has decreased as shown in the information below. Nitrous oxide and Entonox usage is now available to view on the Greener NHS dashboard. Use in maternity (Entonox) has increased, but the greener NHS report for Entonox use in the second quarter of 2022-23 shows that NGH were one of the lower usage Trusts (per baby born) in the Midlands indicating that there is less leakage in the system (206 kg CO^2 per baby compared with the target of 385kg CO^2). A project to review the use of

both Entonox and Nitrous Oxide to ensure minimal leaks in the system will be undertaken in 2023.

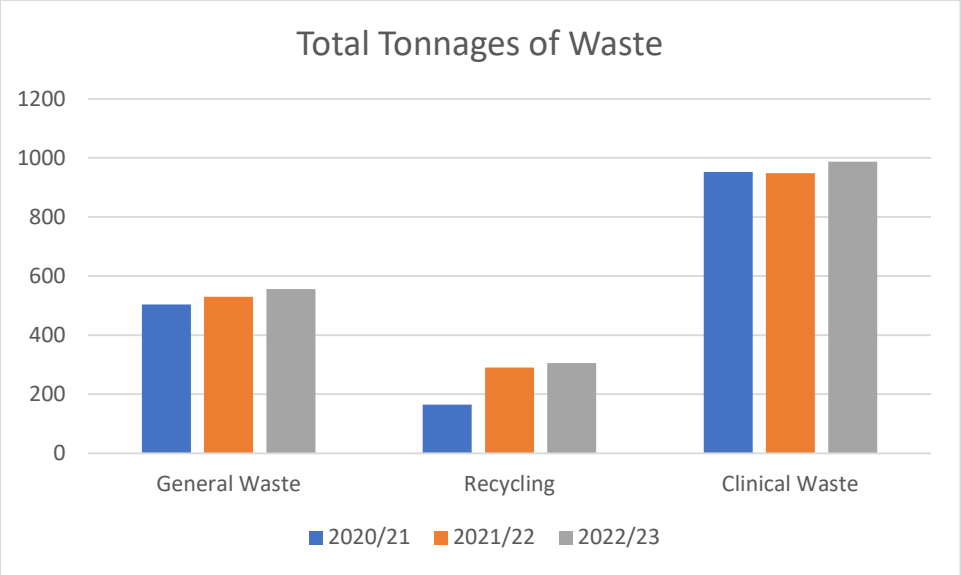


	2018/19	2019/20	2020/2021	2021/22	2022-23
Iso'flurane	16	16	9	15	12
Sevo'flurane	67	58	31	55	57
Des'flurane	695	366	58	4	19
Total Volatiles	**778**	**440**	**98**	**74**	**88**
Anaesthetic N_2O	507	503	293	491	430
Portable Cylinders N_2O	410	316	264	230	176
Maternity Entonox	826	704	675	743	827
TOTAL CO^2 (Tonnes)	**2521**	**1963**	**1330**	**1539**	**1521**

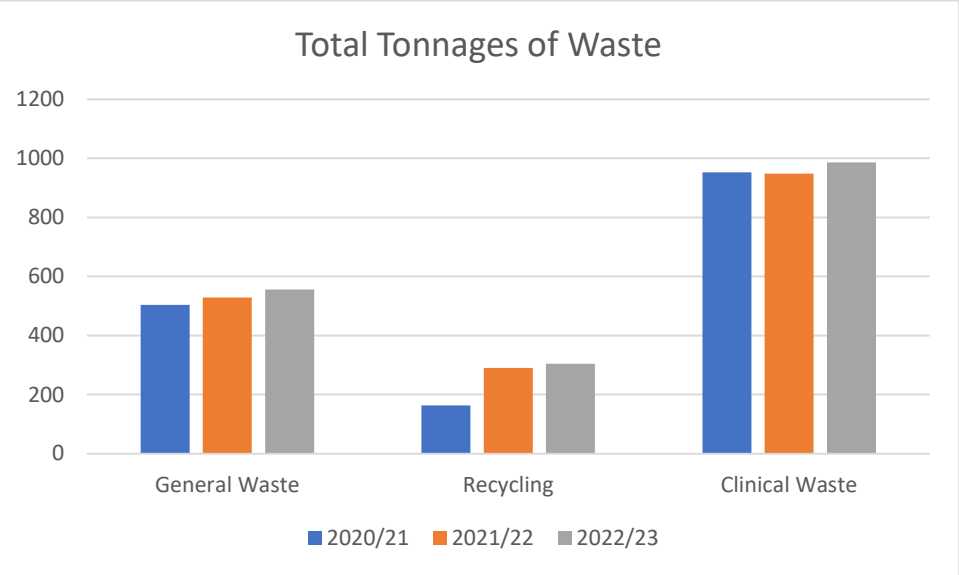
Water

Water consumption has increased above levels seen in the last two years. The reasons for this are as yet unclear. Water loggers have been installed on all of the meters and in the next year we will be undertaking a full water audit of the site to determine the areas with the highest usage and creating an action plan to reduce consumption.

Waste



All waste volumes have increased slightly, reflecting increased activity since closures due to COVID-19. The ratios of clinical to non-clinical waste and domestic waste to recycling have remained consistent since last year. The NHS target of 60:20:20 (offensive: waste sent for high temperature incineration: sent for alternative treatment) still requires some work to remove infectious waste from the clinical waste stream and a review of the origin of the orange bag waste. Recycling levels are currently at approximately 35% of non-clinical wastes.



20:20:60 ratio	2020/2021	2021/2022	2022-23	Target
Offensive waste	30	42	40	60
Alternative treatment	61	47	46	20
High temperature incineration	9	11	14	20

Food Waste

A food waste review group has been established to monitor trends and high return areas. In addition to the overall volumes of food returned, the catering team has also monitored partially eaten meals and the reason for the returned meals. As a result, the percentage of meals returned has reduced from an average of 7.4% in 2021-22 to 5.8% in 2022-23, with one ward halving the number of whole meals returned uneaten.

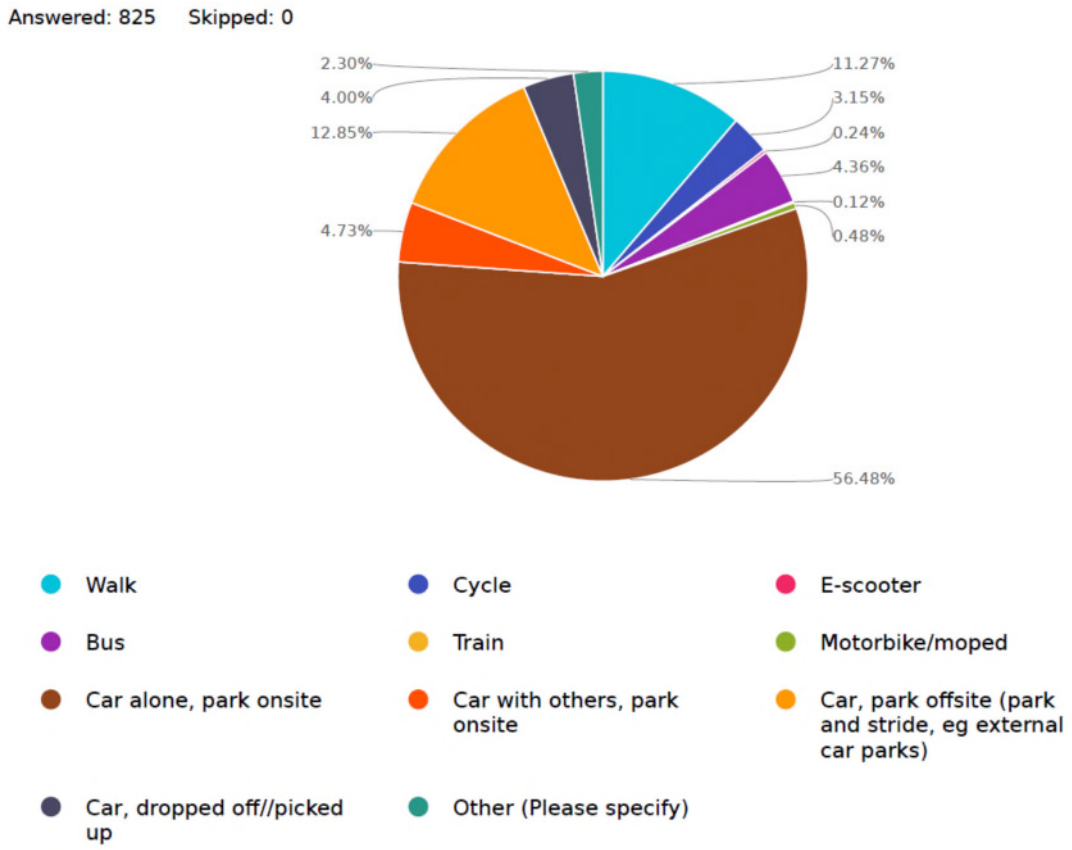
Sustainable Travel

Pollution Monitors

As part of its commitment to reducing air pollution, the Trust has installed air pollution monitors at its main entrances and exits. These are available on a public website and monitor particulate and nitrous oxide pollution and compare the levels to World Health Organisation limits. Air quality levels are available to view here: Air Quality Map - Check air pollution in your area - MyAirly. The monitors show the particulate level and the NOx levels and when they are above WHO limits. We will be using them to review whether high level rates are connected to traffic and also to see if there are any changes when we review our traffic flow round site.

Travel Survey

In conjunction with KGH the Trust conducted a travel survey amongst its staff. Of the 825 respondents the majority continue to travel to the site by car, with 69.3% travelling alone by car and 19.62% travelling by a lower carbon form of travel or active travel.



EBikes

The Trust was fortunate to partake in an ebike loan scheme. A total of 29 staff took part in the scheme and the majority of feedback was extremely positive, with 30% of respondents saying they have started cycling more since the trial and a number of staff buying an ebike:

'I thoroughly enjoyed my ebike and have cycled (manual) into work ever since'

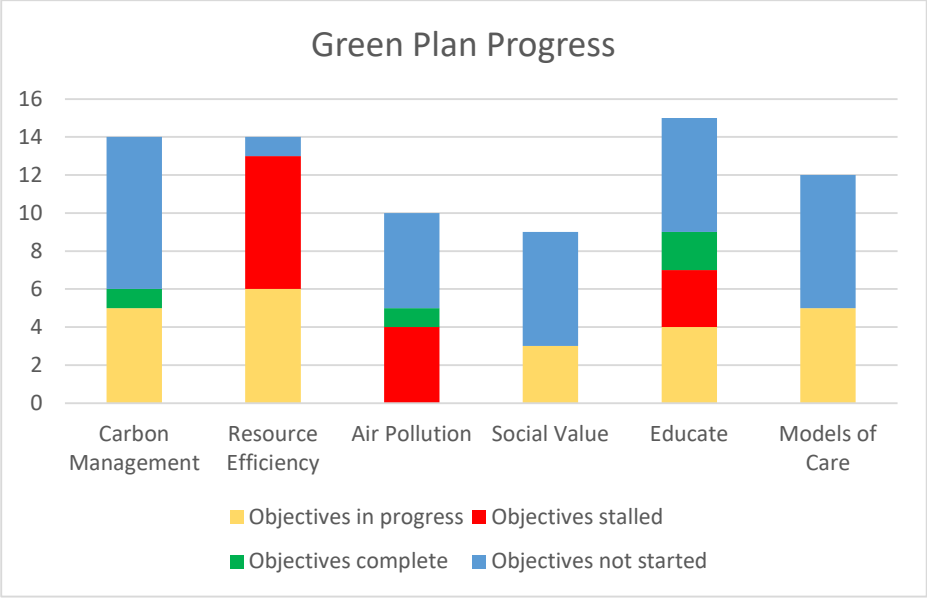
'I loved the ebike and would like to purchase one to commute to work'

Electric Vehicle Charging

During the financial year NGH installed an additional 61 EV chargers bringing the total to 79 EV chargers which are situated in both staff and public parking areas. The use of the chargers has resulted in a reduction of carbon from travel of approximately 37 tonnes.

Other Sustainability Initiatives / Green Plan Progress

The progress on Green Plan actions is illustrated below. This is overseen by the multi-disciplinary Sustainable Development Committee who are also progressing projects in their individual departments.



Green Team

Thanks to a grant from the Northamptonshire Healthcare Charity we worked with the Centre for Sustainable Healthcare to run a Green Team competition across the Integrated Care System. Four diverse teams completed the training workshops and a ten-week project. Together they are projected to save 53 tonnes of CO^2 per year, and £71,500. The four projects were to change the care pathway for HIV Outpatients, 'Be PPE Free' to reduce inappropriate PPE usage, reduce unnecessary prescription of Proton Pump Inhibitors (PPIs) in the critical care unit

and reduce the amount of paper used in the Research and Innovation Department. All of them increased staff and patient satisfaction as well as saving staff time and reducing waste. The posters created from the entries will be shared at the Sustainable Healthcare Academic Research Event in May 2023 and the British Medical Journal Net Zero Conference in July.

The Be PPE Free Project won the Investors in the Environment Best Waste Reduction Project award and the Sustainability Partnerships Staff Engagement Award.

Sustainable Surgery

As part of its green plan NGH has set up a Sustainable Surgery Group. Two initial projects have been undertaken and completed; one involved the removal of Ethyl Chloride spray used in anaesthesia and replaced them with reusable cold sticks – resulting in a saving of £6,500 and approximately 4.5 tonnes of CO2e. A number of other workstreams to reduce single use items and replace with reusable alternatives are currently underway.

Training and Education

Sustainability is now included in the FY1 and FY2 programmes for doctors, the induction programme for Junior Doctors, as well as for the Shared Decision Making Councils.

Heidi Smoult

Chief Executive and Accountable Officer

27 June 2023

Section 2: Accountability Report

Corporate Governance Report

(prepared in accordance with guidance issued by NHS England and Improvement in compliance with sections 3.58-3.60 of the Group Accounting Manual 2022-23.)

Chief Executive and Accountable Officer's governance statement

1. Scope of responsibility

1.1 As Accountable 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.

2. The purpose of the system of internal control

2.1 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.

2.2 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 Northampton General Hospital NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control is in place and has been maintained in Northampton General Hospital NHS Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

2.3 Capacity to handle risk

Governance arrangements for risk management are as follows:

- **Group risk management:** The Trust and Kettering General Hospital (KGH) Foundation Trust are working together under a Group Management Model to strengthen acute care service provision across Northamptonshire, under the leadership of a jointly appointed Chair and (from 1 April 2023) Chief Executives in each hospital. Northampton and Kettering General Hospitals employed a Group Chief Executive up to 31 March 2023 (Simon Weldon), who was the Accountable Officer for both Trusts for the period covered by this Annual Report.

  Collaborative working across both organisations enables us to prioritise acute pathway transformation and quality improvement. Working in a Group Model across both organisations maintains the statutory duties and responsibilities of two separate Trust Boards.

  As part of the collaboration planning work, and to facilitate the seamless implementation of Group Priorities following previous approval by Boards, both Trusts have established Finance and Performance, Quality, Digital, Strategic Development, Elective Care (Lead Provider) Collaborative and People Committees in Common. Committee in Common meetings are a recognised governance approach that enables collaboration between organisations to take decisions together on projects that cross boundaries without compromising the integrity of their own statutory requirements. These

committees are responsible for reviewing and monitoring any strategic risks to both organisations; UHN has adopted a shared Group Board Assurance Framework but the Trusts retain separate Corporate Risk Registers.

- **The Chief Executive**: takes Board-level responsibility for governance, including risk management, and has overall responsibility for maintaining an effective risk management system and for meeting all statutory requirements. Executive directors and clinical directors have delegated responsibility for governance and risk management arrangements within their areas of control.

- **Board of Directors:** The Board of Directors and Chief Executive ensure that the risk management arrangements are implemented, monitored and reviewed, and meet all legal and regulatory requirements. The Board receives reports from its Committees on the Trust's risk control measures.

- **Audit Committee:** The Audit committee has overall responsibility for independently monitoring, reviewing and reporting to the Board on all aspects of governance, risk management and internal control. It is supported in this role by all Board Committees.

- **Finance and Performance Committee:** Up to and including December 2022, the Finance and Performance committee undertook, on behalf of the Board, objective scrutiny of the Trust's financial plans and major investment decisions. Additionally, it is responsible for overseeing the delivery of all key performance metrics and is also responsible for the oversight of the Trust's Operational Estates and procurement functions.

- **Group Finance and Performance:** From January 2023, the Committee oversees an aligned and integrated approach across the group, so as to ensure consistency in operational and financial management, including the efficient use of resources through optimal allocation of capital and resources.

- **Quality Governance Committee:** Up to and including December 2022, the Quality Governance committee monitored, reviewed and reported on the quality and safety of services provided by the Trust. This includes the review of governance, risk management and internal control systems to ensure the delivery of safe, high quality, patient-centred care.

- **Group Clinical Quality, Safety and Performance Committee:** From January 2023, this Committee assures the Boards, patients, visitors and staff of the UHN Group that services at Kettering and Northampton General Hospitals are safe and that they conform to, and surpass, the required quality and safety standards required within a culture of learning and continuous improvement.

- **Group People Committee:** The Committee oversees an aligned and integrated approach to ensure 10,000 colleagues across NGH and KGH are engaged and supported through the successful delivery of the Group People Plan.

- **Group Digital Hospital Committee:** The Digital Hospital Committee oversees strategic aspects of the NGH and KGH Group's digital, technology and information agenda.

- **Group Strategic Development Committee:** This Committee oversees the modernisation of the Trusts' estates to ensure that they are a key enabler to deliver clinical service ambitions

- **Group Transformation Committee:** The Committee oversees the delivery and review of the aims of the Group and steers the delivery of the transformation required to deliver Group Model ambitions as expressed within the Dedicated to Excellence Strategy, aligned to Integrated Care System (ICS) transformation.

- **Elective Care (Lead Provider) Collaborative Committee:** The Committee was established in May 2022 to oversee the development and implementation of Lead Provider Collaborative arrangements for elective care.

- **Assurance, Compliance and Risk Group (ARC):** The ARC Group is chaired by the Deputy Director of Governance providing executive oversight of risk management issues. The group is responsible for ensuring the development and implementation of effective systems and processes for risk management at each level of the Trust.

- The Trust has a Governance team with a focus on integrated risk management. The team supports the process of identification, assessment, analysis and management of risks and incidents at every level of the organisation and aggregation of results at a corporate level.

- In each of the Trust's Divisions the Divisional Director has lead responsibility for governance and risk issues and is responsible for coordinating risk management processes, including management of the Divisional risk register supported by the Divisional manager. The Divisional management groups have responsibility for monitoring, managing and where necessary escalating risks on their risk registers and significant risks are reviewed at monthly performance review meeting.

- Data Security and Protection Group: The purpose of the group is to set a clear direction of travel in respect of Data and Information Governance and to provide the Trust Board with the assurance that effective governance for data quality and protection is in place. The Group is attended by key stakeholders across the Trust which includes clinical and operational leaders

  The Trust's Senior Information Risk Owner (SIRO) is the Hospital Digital Director and is responsible for taking ownership of information risk and advising the Chief Executive accordingly. The SIRO works closely with the Medical Director as Caldicott Guardian (the senior person responsible for protecting the confidentiality of people's health and care information and making sure it is used properly) and the Data Protection Officer.

- Risk management training is delivered to staff in accordance with the Trust's risk management training needs analysis. This begins at corporate induction which all staff are required to attend.

3. The risk and control framework

3.1 The Trust has adopted an integrated framework for risk management supported by policies and procedures. This provides a comprehensive framework for the management of principal risks and is mapped to the Trust's strategic objectives. These are in turn mapped to the risk register to assess the potential risks that threaten the achievement of the Trust's objectives, the existing control measures, and assurances in place.

3.2 Following reviews of risk management processes during 2021-22, a group Risk Management review was commissioned to revise the BAF, Corporate Risk Register and Risk Management processes across the group. A key component of this is a single integrated BAF report, adopted in July 2022, which overcomes duplication and confusion from similar risks describing the same issues across the Group and provides clearer alignment with Group objectives and delivery strategies. Each Trust retains a Corporate Risk Register which will inform the Group BAF and provide oversight of key cross-cutting risks at an organisational level.

3.3 The Trust adopted a Group Risk Management Strategy and Policy at the same time. The strategy sets out the Trusts' commitment to continuously improving risk management and patient safety within the organisation through annual targets for improvements, against which progress will be assessed by the Assurance with Risk Group. The group strategy was reviewed and updated to comply with legal and statutory requirements, assist in compliance with national standards, promote proactive risk management and improve the safety and quality of patient care.

3.4 The policy seeks to:

- Ensure that the Group meets its statutory requirements to ensure compliance with the relevant legislation such as Health & Safety at Work etc. Act (1974) and the Regulatory Reform (Fire Safety) Order 2005
- Provide a consistent and integrated approach to the management of risk that reflects the Group Risk Management Strategy
- Achieve improved recognition and prediction of risk and minimisation of adverse outcomes
- Encourage safe working practices and deliver a safe environment for patients, staff, contractors, volunteers, and visitors
- Ensure integration of risk management into business planning, objective setting and performance management
- Support an environment of continuous improvement through the risk management processes and framework, improving quality and safety of care delivery and working practices, and
- Embed the Group's risk appetite in decision making

3.5 There is an established governance framework for risk management which includes high level committees, the Board of Directors, Board Committees and the Assurance, Risk and Compliance Group (a sub-group of the Group Clinical Quality, Safety and Performance Committee) to divisional governance committees and department level risk groups.

3.6 The ARC Group continues 'deep dive' reviews into the Divisional Risk Registers in year to provide support and guidance with regard to content and identify best practice to improve clarity of the risk register content. Feedback is also provided to the Group from Internal Audit Reviews and standard templates for reports are provided.

3.7 The risk management system is continually reviewed to ensure that robust systems are in place at all levels within the Trust. The risk register is an integral part of the system. Amendments to the risk register are generated and actioned at directorate, division, and corporate level.

3.8 Communication and consultation is undertaken with internal and external stakeholders when appropriate. The Trust has continued to develop communication channels with its partners, and within the Trust. Regular reports are prepared for directorates and divisions on the incidents reported, both clinical and non-clinical, with escalation channels to the Board of Directors and its Committees when required.

3.9 There is an established Internal Audit programme approved by the Audit Committee. The Audit Committee receives reports which provide assurance of the Trust's key internal control objectives. The Internal Auditor presents an Internal Audit Annual Report and Head of Internal Audit Opinion to those charged with governance and the Audit Committee on the overall level of assurance for the system of internal control. Internal Audit recommendations are tracked in a system to record action taken and completed.

3.10 The Trust has an established Anti-Crime (Counter Fraud) Service provided by a Local Anti-Crime Specialist. In addition to investigation work, this postholder carries out an agreed amount of proactive work. They regularly attend the Audit Committee, providing reports on any proactive or reactive work undertaken. They also provide feedback to the Freedom to Speak Up Guardian in regard to any referrals made from that route.

3.11 The Trust's External Auditors conduct an Annual review of the Trust's control environment and present an Annual Report to those charged with governance in the form of an External Audit Opinion, comprising financial and Value for Money elements.

3.12 The Trust has a range of approaches in place to ensure that short, medium, and long-term workforce strategies and staffing systems are in place which assures the Board that staffing processes are safe, sustainable and effective.

3.13 The Group People Committee regularly receives assurance reports in respect to safer staffing to ensure adherence to National Quality Board requirements. This assurance includes the provision of monthly and six-monthly Safe Staffing Review of Inpatient Staffing Levels. Assurance against the requirements of the NHS England 'Developing Workforce Safeguards' guidance is reported and monitored through the People Committee.

3.14 The Trust uses a range of workforce-planning methods:

- Professional judgement method – multi- disciplinary teams (MDTs) of lead clinicians and managers consider workforce requirements. Using their professional judgement, MDT's will review the current performance standards, financial performance, patient feedback and commissioning intentions and consider the benefits/risks of alternative skill–mixes as part of this approach
- Workload quality method – the Trust uses evidence-based tools to calculate staffing levels based on a variety of inputs, including the Safer Nursing Care tool, Birth Rate plus for maternity services, and in addition the Trust uses the Allocate Acuity data, to ensure that the nursing establishment supports the staffing level and skill mix for each ward
- Triangulation of the above with quality, patient feedback, workforce, and workflow metrics is undertaken through the work of the Board committees
- Benchmarking internally and externally (where information is available and applicable)

3.16 The workforce planning approach detailed above informs the outputs of the annual business planning cycle. Divisions establish their future workforce requirements modelled against planned activity, service developments and financial planning.

3.17 Clinical teams have access to key performance data. Data sources for dashboard indicators include, amongst other information sources: staff HR metrics (e.g., staffing levels, sickness levels and bank staff usage), patient feedback, numbers of complaints, audit outcomes and numbers of incidents reported.

3.18 The Trust's Board and its committees receive triangulated data in a number of key documents including the corporate dashboard, Group Board Assurance Framework and as part of Patient Safety, Safer Staffing, Workforce and Financial reports. The Trust uses the information in a number of ways, including to:

- assure the Board that the systems and processes are working to identify risk or good practice/outcomes
- challenge the data and request further information
- identify internally driven, focused pieces of quality work
- formulate ideas for change or for new ways of working
- review assurances available within the Corporate Risk Register and Board Assurance Framework
- identify new quality indicators aligned to transformational programmes
- promote quality across the organization, using key messages and focused themes

3.19 The Group People Committee has delegated responsibility for ensuring that any workforce/staffing changes are undertaken with the associated findings reviewed and discussed. The NHS England Developing Workforce Standards offer a framework for this to be undertaken.

3.20 The Trust was rated “Requires Improvement” by the Care Quality Commission (CQC) in 2019 and remains fully compliant with the registration requirements of the CQC. The Trust put in place an Improvement Plan in response to the findings which was monitored via the Quality Governance Committee and Trust Board. The plan was last subject to an Internal Audit review, for which the Trust received a ‘Reasonable Assurance’ opinion, in April 2020. The Action plan was completed and closed in October 2020. With KGH, the Trust undertook an externally-facilitated self-assessment exercise against the CQC Well-Led domain in early 2023, which included an assessment of Trust-level assurance within the context of the Group model. This complemented an independent external review of the Group Model, with a number of common themes/areas for attention emerging from the two pieces to inform next steps during 2023/24, received by the Board of Directors at its April 2023 meeting:

- Communication and Engagement
- Governance, Roles and Accountabilities
- Corporate Strategy and Integration Plans
- Clinical Collaboration
- Culture

3.21 The Trust has published on its website an up-to-date register of interests, including gifts and hospitality. A digital solution has been introduced to encompass all decision-making staff (defined at the Trust as Consultants and staff on Agenda for Change Band 8D and above or equivalent), as required by the Managing Conflicts of Interest in the NHS guidance.

3.22 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.

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

3.24 The Trust has undertaken risk assessments included in its Adaptation Policy and has a sustainable development management plan in place which is currently being reviewed to take account of UK Climate Projections 2018 (UKCP18) and the Carbon Net Zero by 2040 NHS commitments. The Trust complies with its obligations under the Climate Change Act and Adaptation Reporting guidelines through its annual report – see the Sustainability Report above for more details.

4. Risk assessment

4.1 The Trust has adopted an approach to risk management with the structures and processes in place to successfully deliver the risk management objectives. Leadership arrangements are defined within the Trust and are supported by job descriptions, objectives, and annual appraisals.

4.2 Leadership has been further embedded at Divisional and Directorate level, where managers have responsibility for risk identification, assessment, and analysis. All staff are required to complete mandatory and role specific update training. All new members of staff are required to attend induction which covers key elements of risk management including Freedom to Speak up.

4.3 The Trust policy on the development of policies ensures that all Trust policies must be equality impact assessed before seeking approval.

4.4 The Group Board Assurance Framework (BAF), adopted in July 2022 is based around identifying and mitigating risks to the Group objectives as articulated within the Group Dedicated to Excellence Strategy and its enabling strategies. It identifies the principal risks to the achievement of those objectives, the key controls in place to manage those risks and the sources of assurance about the effectiveness of those controls.

4.5 The Group BAF details any gaps in control and assurance in relation to the risks, including strategic objectives related to service delivery, workforce, finance, service transformation, and infrastructure and information systems, together with actions to address them. The actions include identifying additional resources, putting in place new systems, processes, operating procedures and monitoring arrangements, strengthening project and programme management, and effective working with partners.

4.6 The BAF is updated by the Executive Director leads with a full review at the end of each quarter which is then presented to the relevant Board Committee to review their assigned risks and a full Board review quarterly. It is also crossed referenced to risks on the Corporate Risk Register.

At 31 March 2023, the BAF contained the following risks:

- Failure to deliver the Group People Plan may result in reduced staff engagement, empowerment and lack of inclusion which would impact negatively on staff satisfaction, recruitment and retention.
- Failure to deliver the group Clinical Strategy may result in fragmented and inefficient service delivery, fragile service provision, and sub-optimal outcomes of care alongside negatively impacting staff retention, recruitment and morale.
- Failure to deliver the group Nursing, Midwifery and Allied Health Processionals Strategy may result in inequity of clinical voice, failure to become a truly clinically-led organisation and centre of excellence for patient care
- Failure to deliver the NHCP Integrated Care System Partnership may result in an impact on the quality of service provided across the group.
- Failure to deliver the group Strategic Estates programme may result in care delivery from poor clinical environments, cost inefficiencies, patient safety incidents and statutory non-compliance attributable to some degree to substandard existing estate, and lost opportunities for integrated care delivery at place, resulting in serious incidents, possible prosecution and associated reputational damage
- Failure to deliver the Group Academic Strategy may result in non-delivery of University Hospital status, reducing the ability to attract high calibre staff and research ambitions.
- Failure to deliver the group Digital Strategy may result in poor performance of systems resulting in a lack of consistency and expected levels of quality of patient and staff experience of digital services across the group
- Failure to deliver a Group Medium Term Financial Plan results in an inability to deliver Trust, Group and system objectives.

4.7 Each risk and its actions are owned by an Executive Director and they are held to account for progress at respective Board Committees and the Board.

4.8 The Trust received a ‘Reasonable Assurance’ opinion from internal audit on the Board Assurance Framework and Risk Management in March 2023, with the final report issued in June 2023.

4.9 An Annual Governance Statement is in place and the Trust is compliant with the risk management and assurance framework requirements that support the statement pursuant to the most up to date guidance.

4.10 The Board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets as set out in the NHS Oversight framework; and a commitment to comply with all known targets going forward.

4.11 The Board ensures that the Trust will at all times operate effectively. This includes maintaining its register of interests, ensuring that there are no material conflicts of interest in the Board of Directors; and that all Board positions are filled, or plans are in place to fill any vacancies.

4.12 The Board is satisfied that all executive and Non-Executive directors have the appropriate qualifications, experience and skills to discharge their functions effectively, including setting strategy, monitoring and managing performance and risks, and ensuring management capacity and capability. All Board members complete a “Fit and Proper persons” declaration, and the Board confirmed compliance with the Fit and Proper regulations at its April 2023 meeting.

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

5.1 The Trust has a number of processes in place to ensure that resources are used economically, efficiently and effectively. The Trust has an established process in place for budget setting, monitoring and reporting.

5.2 Internal Audit has carried out a review of the Trust’s financial systems during the year and, based on the work undertaken, have concluded that reasonable assurance can be taken and the system of internal controls is generally adequate and operating effectively.

5.3 Whilst the challenging financial landscape continued into 2022-23 as a result of the impact and recovery from the pandemic and economic conditions, in particular inflationary increases, the Trust continued to maintain appropriate controls to support the use of public money and delivered a financial position in line with that agreed with Northamptonshire ICB and NHSE.

5.4 The Trust will be carrying out more work on its transformation plans to drive efficiencies and delivery of excellent patient care, with particular focus on Elective recovery, Outpatient transformation and benefits from working with System partners as part of the Integrated Care Board (ICB). Also, further to the ongoing collaboration work with Kettering General Hospital NHS Foundation Trust, the Trust is continuing to actively work to improve both the quality and financial viability of acute services, by realising benefits of scale and reduced duplication.

5.4 Internal Audit carried out a nationally-mandated advisory review of the Trust’s financial sustainability through an examination of compliance with the Healthcare Financial Management Association’s (HFMA) checklist during the year. The review generated self-assessment scores of one to five against 72 statements within eight financial areas, with supporting evidence in the highest-scoring areas, and actions to address areas scoring lower. NGH scored highest in the areas of business and financial planning and Board reporting, within improvements required in respect of cost improvement / efficiency plans in the context of a significant year-end deficit (as specified in the Group Chief Finance Officer’s report, below). The review recognized that significant financial risks remained unmitigated, and that moving towards a break-even position was a continuing obligation and a pressure.

6. Information governance

6.1 The Trust assesses its management of Data Security and Protection via the NHS National Standards tool - The Data Security and Protection Toolkit (DSPT). This is an annual assessment for health and care organisations which sets out the 10 National Data Guardian’s (NDG) data security standards. The Trust successfully completed the DSPT in 2021/22 with ‘Standards Exceeded’ and the submission was independently audited and provided significant assurance with high confidence. The deadline for completion for 22/23 is the 30th June 2023; the Trust has currently met 46 of the 113 mandatory evidence items required. It is expected that the Trust will be able to complete all assertions for the 2023 submission.

6.2 In 2022-23, the Trust reported two Information Governance incidents to the Information Commissioners Office (ICO) that met the NHSD reporting criteria, with four incidents reported in the previous year. All cases have been closed by the ICO with no further action. No action has been taken by the ICO against the Trust regarding incidents reported to date. The incidents reported all

relate to a breach of confidentiality either through process issues or staff inappropriate use /access. All incidents have been appropriately investigated with actions and learning identified.

7. Data quality and governance

7.1 The Data Security and Protection Group meets monthly to ensure the Trust has adequate controls in place to manage Data Quality. Reports are presented by Clinical Coding, Health Intelligence, Data Quality, Cyber Security and Data Security and Protection which are scrutinised regularly.

7.2 The Data Quality report provides relevant assurance which summarises the Data Quality Maturity Index (DQMI). This is a monthly publication intended to highlight the importance of data quality in the NHS. It provides data submitters with timely and transparent information about their data quality. The DQMI focuses on the quality of set of core data items identified as being important to commissioners and regulators, comparing its data quality against national peers in order to identify and prioritise necessary improvements. The DQMI is an overall score calculated for each provider; it is defined as the average of the percentage of valid and complete entries in each field of each dataset and is proportional to the coverage; the NGH score at the most recent publication is 94.7% with the score for all NHS Trusts is 89.1%.

8. Going Concern

8.1 The Audit Committee, at its meeting in January 2023, confirmed its agreement with the positive going concern assessment supporting the conclusion that the Trust is a going concern, and formally approved Going Concern status for the completion of the accounts.

9. Review of effectiveness

9.1 As Accountable 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 information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, group clinical quality, safety and performance committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

9.2 All relevant Board Committee Terms of Reference have been updated.

10. Board Reporting

10.1 The Board meets bi-monthly throughout the year in private and also in public, and holds joint development sessions with KGH in the intervening months. A performance report is received each month with performance overviews provided by the director responsible for performance in each area and risks reviewed. The Board receives updates from a chair of each Board committee following individual committee meetings highlighting the key points discussed and any issues which require escalation.

11. Board effectiveness

11.1 The Board has processes in place to review the effectiveness with which it operates annually. Governance arrangements are also subject to review by Internal Audit annually.

11.2 The Board has been assured that there are robust mechanisms to ensure that the evidence to support compliance is in place and available and is routinely monitored and reported upon within the Trusts governance and performance framework. The process that has been applied to maintain the effectiveness of a system of internal control follows.

11.3 The Trust's Audit Committee approved an Internal Audit programme and received all Internal Audit Reports. The committee has reviewed the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the organisation's activities both clinical and non- clinical that supported the achievement of the organisation's objectives.

11.4 The Trust's Clinical Quality and Effectiveness Group oversees the Trust's participation in local and national clinical audit and national confidential enquiries, and reports to the Group Clinical Quality, Safety and Performance Committee. Divisions receive an update report from the Clinical Audit and Effectiveness Department as part of the governance structure. This update gives highlights by exception of audit progression, findings and actions. This enables the Divisional and directorate management team oversight and ownership of their element of the Trust audit programme.

11.5 The Internal Audit's review of the organisation's overall arrangements for gaining assurance has concluded that:

"Reasonable assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk."

11.6 Internal audit carried out nine reviews during the year, which were designed to ascertain the extent to which the internal controls in the systems were adequate to ensure that activities and procedures were operating to achieve the Trust's objectives. One review gave rise to a finding of 'Substantial' assurance, five of 'reasonable' assurance and two of 'Limited' Assurance (the HFMA review was advisory and did not give rise to an assurance assessment). The Head of Internal Audit indicated his satisfaction that, for the areas reviewed during the year, the Trust had reasonable and effective risk management, control and governance processes in place. The Audit Committee noted an increase in the number of outstanding internal audit recommendations, inviting lead Executive Directors to meetings to account for delays and provide assurance in respect of remedial actions.

11.7 The Local Counter Fraud Specialist (LCFS) has supported the Trust to ensure that investigations are carried out promptly and efficiently. In addition, the LCFS has continued to carry out proactive work at the Trust in order to prevent, detect and deter fraud and bribery within the NHS and to also raise awareness of the role of the counter fraud specialist within the Trust and the NHS as a whole. This proactive work has helped to establish an effective anti-fraud culture and zero tolerance approach within the Trust that is fully supported by the Trust Board.

11.8 The Audit Committee received a report to its June 2023 meeting setting out the results of the annual self-assessment against the national Counter Fraud Function Standard Return. The assessment indicated full compliance against all components.

11.10 The Trust places patient safety at the heart of what we do, we constantly strive to learn from incidents to deliver Best Possible Care. Incidents are discussed at a number of forums, including the Incident Review Group, Clinical Quality and Effectiveness Group and the Group Clinical Quality, Safety and Performance Committee.

11.11 The Trust has recorded 88 serious incidents in 2022-23 which is equal to the 2021-22 data. It is important to acknowledge that the COVID-19 pandemic changed the profile of clinical work undertaken at the Trust, and so direct comparison of themes is not possible.

11.12 Each patient safety incident graded as moderate or serious harm has been reviewed. Those which meet the threshold for more detailed investigation as a Serious Incident have undergone this, using Root Cause Analysis (RCA) methodology, seeking to determine the Root Cause of any preventable harm and identify and implement lessons to improve the safety of care.

11.13 Action plans are developed based on the investigation findings and changes put in place to reduce the likelihood of re-occurrence. Lessons learnt are shared in a variety of ways, this sharing has been changed during the reporting year due to COVID-19-19 restrictions and more reliance has had to be placed on the use of digital meeting technology, and written briefings for staff.

11.14 Work is currently being carried out to ensure the successful implementation of the Patient Safety Incident Response Framework (PSIRF). The PSIRF will replace the current serious incident framework and will offer a new approach to how we respond to patient safety incidents for the purpose of learning and improvement. Full implementation is planned for Autumn 2023.

11.15 The Care Quality Commission (CQC) and NHS Resolution (NHSR) consider Trusts who are high reporters of incidents to have a better and a more effective safety culture. In 2022-23, a total of 17,416 patient safety incidents were reported, which shows an increase in the previous reporting year. The Trust aims to share learning from incidents across the Trust and also more widely through a Countywide patient Safety Group.

11.16 All patient safety incidents graded as moderate or above have continued to be discussed at the twice weekly 'Incident Review Group (IRG)' This multi-disciplinary group, chaired by the Medical Director or his representative, provides challenge in a psychologically safe environment. The group reports into the Clinical Quality and Effectiveness Group. To ensure all patient safety incidents are investigated appropriately and proportionately. Other incidents of clinical concern (including some complaints, claims or inquests) are also discussed at this meeting.

11.17 The Trust process of monitoring of action plans arising from Serious and Moderate graded Incidents continues to be strengthened. This is supported by the directorate governance meetings, and departmental meetings to ensure that actions are implemented. This is currently externally assured by our Commissioners at Northamptonshire ICB through Serious Incident Action Meetings as well as internally within the Compliance Governance team. The Governance Department continues to provide key support to the local governance meetings in the clinical areas to implement and close action plans ensuring the support of robust governance throughout the Trust.

12. National audits

12.1 The Trust outsources elements of its transactional financial services to third party supplier the NHS Electronic Staff Record (ESR) Programme. Assurance on the effective operation of the control environments with this supplier is gained through various measures, including independent auditors' reports. The national independent audit on the NHS Electronic Staff Record Programme for the period 1 April 2022 to 31 March 2023 has received a qualified opinion. The Trust has a service contract with University Hospitals Birmingham (UHB) NHS Foundation Trust Payroll Services and is satisfied that there are compensating controls at the Trust and UHB that are sufficient.

13. Conclusion

13.1 I am pleased to report that, based on the opinion of Internal Audit and the evidence presented within this report; that Northampton General Hospital NHS Trust has a reasonable and effective system of internal control that supports the achievement of its policies, aims and objectives with no significant internal control issues identified.

13.2 Appropriate arrangements are in place for discharge of the Trust's statutory functions. These ensure that any potential issues are highlighted to the Board and that the Trust is legally compliant with its statutory responsibilities.

Heidi Smoult

Chief Executive and Accountable Officer

27 June 2023

Report from the Group Chief Finance Officer

Economic outlook and impact

2022-23 continued to be a challenging year for the Trust, with the continued effects of COVID-19, the impact of a difficult 'flu season as well as the continued need to recover elective activity to over and above pre-COVID-19 levels. The impact on staff and patients has been considerable, with thanks to our staff who have worked tirelessly throughout this period and continue to do their best under very challenging circumstances for the benefit of our patients.

Nationally, as in the previous financial year, the NHS has received financial support, through a combination of block contracts, reduced COVID-19 funding, funding for elective recovery, as well as other non-recurrent funding arrangements.

Looking ahead to 2023-24, the financial landscape will continue to embed changes made in 2022-23, with the Trust working closely together as part of Northamptonshire ICB, to manage funding and resources in a collaborative manner. As well as the further removal of most of the financial support put in place over the past three years to support the response to the pandemic, national planning expectations are for a continued tightening of funding and financial controls. As in the previous financial year, there is a clear re-focus on the efficient and productive use of resources, in order to create the necessary capacity to deliver improved operational performance and reduced backlog of elective activity. This will be done in the continuation of system-based planning, budgeting, reporting and regulatory oversight. The Trust has agreed to a challenging financial plan for 2023-24 for breakeven, requiring a 5% reduction in costs and additional income from Northamptonshire ICB to cover premium costs of urgent care capacity.

Financial performance

The combination of considerably higher than planned for operational disruption, with increased costs and inability to realise productivity improvements, as well as inflationary pressures, led to a year-end forecast position being agreed with Northamptonshire ICB and NHSE, of a deficit of -£14.8m, on the NHSE performance measure. The Trust delivered an actual performance of a deficit of -£15.2m, which was materially in line with agreed performance position.

Our capital expenditure programme continues to be considerably larger than pre-pandemic levels, and for 2022-23 was £28.5m. This included significant investment through the Public Sector Decarbonisation Scheme (PSDS), installing equipment and infrastructure to improve the efficiency and reduce carbon output in energy to run our hospital site. The capital plan was delivered in full in 2022-23.

We met our financial duties to manage our borrowing within our external finance limit and to pay our suppliers within 30 days for more than 95% of invoices paid, with the exception of one month. A cyber incident in August 2022 impacted on our ability to process and pay suppliers for a 6-week period. Despite this, 95% compliance was achieved for the value of invoices and over 93% for volume on a cumulative basis.

Charitable funds

We are supported by the Northamptonshire Health Charity. Its primary purpose is to support our work by providing grant funding, making use of the many generous donations and legacies they receive from the general public and from fund raising activities.

To ensure local governance of funds, our senior nurses and managers are heavily involved as fund advisors, actively recommending the specific projects where funds should be spent.

During the financial year the charity paid £493k as grants, of specific note:

- Various items of medical equipment for Trust-wide use, including an ultrasound £101k and an operating table £85k to work alongside the Surgery Robot.
- Furniture as part of 'Eat Street' restaurant refurbishment £40k

- Volunteer Services Support and Coordination £34k
- Funding of the Centre for Sustainable Healthcare's 'Green Team Competition' £24k
- Staff Training and Course Fees £61k.

Jon Evans

Group Chief Finance Officer

27 June 2023

Statement of Chief Executive's responsibilities as the accountable officer of the Trust

The Chief Executive of NHS England, has designated that the Chief Executive should be the Accountable Officer of the Trust.

The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the Trust;
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year

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

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

Heidi Smoult

Chief Executive and Accountable Officer

27 June 2023

Statement of Directors' responsibilities in respect of the accounts

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

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

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

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

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

By order of the Board

Heid Smoult
Chief Executive and Accountable Officer
27 June 2023

Jon Evans
Group Chief Finance Officer
27 June 2023

Remuneration and Staff Reports

Remuneration report

A remuneration and appointments committee meets regularly and is comprised of non-executive directors. The duties of the remuneration and appointments committee are set out in its terms of reference.

The primary role of the remuneration and appointments committee is to establish a formal process for developing policy on executive remuneration and to oversee the appointment process for executive directors.

The remuneration and appointments committee determines the remuneration and terms of service for the chief executive and executive directors, acting in accordance with the scheme of delegation and reservation of powers to the Board and approve any non-contractual benefits in relation to the termination of employment for executive directors.

The remuneration and appointments committee will oversee the process for the appointment of new executive members to the Trust board of directors, ensuring that there is a formal, lawful procedure in place.

The committee will also ensure that systems and processes are in place for the development of the Board members where appropriate.

Pay multiples –subject to audit

Pay ratio information

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

The banded remuneration of the highest paid director in Northampton General Hospital NHS Trust in the financial year 2023-23 was £200 – 205k (2021-22, £245 – 250k). The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

For clarity, a ratio of 8.72 means that the director receives 8.72 times the relevant salary/remuneration of employees.

2022-23	25th percentile	Median	75th percentile
Total remuneration (£)	23,228	31,864	45,819
Pay ratio information	8.72	6.36	4.42
2021-22			
Total remuneration (£)	20,675	29,224	43,688
Pay ratio information	11.97	8.47	5.67
2022-23			
Salary component of total remuneration (£)	23,089	31,114	42,750
Pay ratio information	8.76	6.51	4.74
2021-22			
Salary component of total remuneration (£)	20,330	27,780	39,467
Pay ratio information	12.17	8.91	6.27

Changes in ratio between current and prior years result from the change from Hospital Chief Executive Officer (April to August) in 2021-22 to the Medical Director (June to March) being the highest paid director in 2022-23, when remuneration is annualised. All ratios also reflect the increase in both the total remuneration, and the salary component of total remuneration paid to the organisation's workforce.

The Trust believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole. Ratios would have reduced if the highest paid director's salary had remained the same, reflecting the increase in remuneration of the workforce following pay awards.

Percentage change in remuneration of highest paid director

The percentage change from the previous financial year in respect of the highest paid director was 18% (reduction). The reduction reflects a change in personnel, the appointment held by the highest paid director and the nature of their employment contract.

The calculation is based on the mid-point of the band of the highest paid director's salary.

The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole, was 8% (increase).

The calculation is based on the total for all employees on an annualised basis, excluding the highest paid director, divided by the FTE number of employees (also excluding the highest paid director).

Medical staff and Healthcare assistants and other support staff represent the largest increase in total average staff numbers. The majority of staff on Agenda for Change terms and conditions received an average pay increase in year of 4%, resulting in a minimum increase of £1,400 (pro-rata). This staff group was also awarded a further non-consolidated pay award of 2%, along with a tiered lump sum equivalent to a further average value of 4%. The majority of medical staff received a 4.5% pay increase. These pay awards both resulted from the Pay Review Bodies' recommendations.

In 2022-23, 12 (2021-22, seven) employees received remuneration in excess of the highest-paid director.

The range of staff remuneration in 2022-23 was from £12 to £273,333 per annum. In 2021-22 this was £11 to £350,778.

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.

Salary and Pension Entitlements of Senior Managers Remuneration – subject to audit

Remuneration

Name and Title	2022-23					
	Salary (bands of £5,000) £000	Expense payments (taxable) to nearest £100 £	Performance Pay and Bonuses (bands of £5,000) £000	Long term Performance Pay and Bonuses (bands of £5,000) £000	All Pension-related Benefits (bands of £2,500) £000	Total - Salary & Benefits (bands of £5,000) £000
Alan Burns – Chair	35 - 40					35 - 40
Simon Weldon - Group Chief Executive	145 - 150				25 - 27.5	170 - 175
Debbie Needham - Group Chief Executive (16th January - 31st March 2023)	15 - 20				20-22.5	35-40
Heidi Smoult - Hospital Chief Executive Officer	165 - 170				67.5 - 70	235 - 240
Palmer Winstanley - Chief Operating Officer	130 - 135				30 -32.5	160 - 165
Matthew Metcalfe - Medical Director (1st April 2022 - 31st May 2022)	40 - 45				55 -57.5	95 - 100
Hemant Nemade - Medical Director (from 1st June 2022)	165 - 170				30 -32.5	200 - 205
Debra Shanahan - Interim Director of Nursing, Midwifery and Patient Services	115 - 120				460-462.5	575 - 580
Jon Evans - Group Chief Finance Officer	80 - 85				30 - 32.5	115 - 120
Andy Callow - Group Chief Digital Information Officer (1st April 22 - 26 September 2022) and Group Chief Executive (27th September 2022 - 13th Jan 2023)	60 - 65				35 - 37.5	95 - 100
Natasha Chare - Group Chief Digital Information Officer (from 1st February 2023)	10 - 15				10-12.5	20-25
Dan Howard - Group Chief Digital Information Officer (27th September 2022 - 31st January 2023)	20 - 25				12.5-15	30 - 35
Stuart Finn - Group Director of Estates and Facilities	60 - 65				15 - 17.5	75 - 80
Karen Spellman - Director of Strategy and Partnerships/Group Director of Integration and Partnerships	105 -110				22.5 - 25	130 - 135
Richard Apps - Group Director of Governance	60 - 65				22.5 - 25	85 - 90
Mark Smith - Chief People Officer (to 31 July 2022)	25 - 30					25 - 30
Paula Kirkpatrick - Group Chief People Officer (from 31st July 2022)	45 - 50				15 – 17.5	60 - 65
Rebecca Taylor - Group Director of Transformation and Quality Improvement	60 - 65				12.5 -15	75 - 80
Jill Houghton - Non-Executive Director	10 - 15					10 - 15
David Moore - Non-Executive Director (to 30th November 2022)	10 - 15					10 - 15
Rachel Parker - Non-Executive Director	15 - 20					15 - 20
Denise Kirkham - Non-Executive Director	10 - 15					10 - 15
Elena Lokteva - Non-Executive Director	10 - 15					10 - 15
Ghulam (Andre) Ng - Non-Executive Director	10 - 15					10 - 15
Anette Whitehouse - Non-Executive Director (from 3rd January 2023)	0 - 5					0 - 5

Salary Notes 2022-23

1. Debbie Needham, Hemant Nemade, Natasha Chare, Dan Howard, Paula Kirkpatrick and Anette Whitehouse were appointed to the Board in 2022-23. There is therefore no salary information for 2021-22.
2. Simon Weldon, Debbie Needham, Jon Evans, Andy Callow, Natasha Chare, Richards Apps, Mark Smith, Paula Kirkpatrick and Rebecca Taylor were/are employed by Kettering General Hospital NHS Foundation Trust.
3. KGH has recharged 50% of total salaries for the respective months for the 'Group' appointments of Chief Executive (SW - total salary £290 - 295k, including £55 - 60k pay on lieu of notice, NGH share £25k-£30k is disclosed as a contractual payment in lieu of notice, within exit package and annual leave £5k-£10k)(DN - total salary £35 - 40k), Chief Finance Officer (JE - total salary £165 - 170k), Chief Digital Information Officer /Group CEO (AC -total salary £120 - 125k), Chief Digital Information Officer (NC- total salary £20 -25k), Director of Governance (RA - total salary £125 - 130k, including £0-5k 21-22 pay arrears), Chief People Officer (MS - total salary £55 - 60k, PK - total salary £90 - 95k) and Director of Transformation and Quality Improvement (RT - total salary £120 - 125k).
4. 50% of the salary for Stuart Finn has been recharged to KGH (total salary £120 -125k). 50% of the salary for Dan Howard has been recharged to KGH (total salary £40 - 45k)
5. Hemant Nemade's salary includes clinical work (£30 - £35k) and £0-£5k clinical excellence award
6. Paula Kirkpatrick held the position of Interim Group Chief People Officer from 31 July 2022 and Group Chief People Officer from 1 September 2022.
7. The Trust Chair also received a salary, paid directly by KGH, of £45k-£50k.
8. Matthew Metcalfe's salary includes £5k-£10k relating to 2021-22.

Notes – all pension-related benefits

1. All pension related benefits represent the annual increase in total pension benefits entitlement. This represents the values payable at the beginning and end of the financial year, adjusted for inflation, irres the position was held for full or part year and length of NHS service. Where this value is negative a nil balance is shown
2. All pension-related benefits include the cash value of payments (whether in cash or otherwise) in lieu of retirement benefits, and all benefits in year from participating in pension schemes. These are the ag calculated using the method set out in section 229 of the Finance Act 2004.
3. 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 increase or decrease due to a transfer of pension rights.
4. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member o could provide.
5. The pension benefit table provides further information on the pension benefits accruing to the individual.
6. Factors determining the variation in the values recorded between individuals include but is not limited to:
    - A change in role with a resulting change in pay and impact on pension benefits
    - A change in the pension scheme itself
    - Changes in the contribution rates
    - Changes in the wider remuneration package of an individual

Name and Title	2021-22					
	Salary (bands of £5,000) £000	Expense payments (taxable) to nearest £100* £	Performance Pay and Bonuses (bands of £5,000) £000	Long term Performance Pay and Bonuses (bands of £5,000) £000	All Pension-related Benefits (bands of £2,500) £000	Total - Salary & Benefits (bands of £5,000) £000
Alan Burns - Chair	35 - 40					35 - 40
Simon Weldon - Group Chief Executive	110 - 115				55 - 57.5	165 - 170
Heidi Smoult - Hospital Chief Executive Officer (from 16th August 2021)	100 - 105				145 - 150	245 - 250
Eileen Doyle -Hospital Chief Executive Officer (to 15th August 2021)	90 - 95					90 - 95
Palmer Winstanley - Chief Operating Officer (from 31st January 2022)	20 - 25				45 - 47.5	65 - 70
Joanna Fawcus - Chief Operating Officer (to 7th November 2021)	75 - 80				65 - 67.5	145 - 150
Matthew Metcalfe - Medical Director (1st April 2021 - 31st March 2022) and Chief Operating Officer (from 8th November 2021 to 30th January 2022)	185 - 190				245 - 247.5	430 - 435
Sheran Oke - Director of Nursing, Midwifery and Patient Services (to 14th February 2022)	110 - 115				22.5 - 25	135 - 140
Debra Shanahan - Director of Nursing, Midwifery and Patient Services (from 15th February 2022)	10 - 15				5 - 7.5	20 - 25
Jon Evans - Group Chief Finance Officer (from 7 June 2021)	65 - 70				55 - 57.5	120 - 125
Bola Agboola - Director of Finance (to 6 June 2021)	20 - 25				27.5 - 30	50 - 55
Andy Callow - Group Chief Digital Information Officer	70 - 75				17.5 - 20	90 - 95
Stuart Finn - Group Estates Operational Director (from 1st September 2021)/Director of Facilities and Capital Development (to 31st August 2021)	75 - 80				27.5 - 30	105 - 110
Karen Spellman - Director of Strategy and Partnerships	100 - 105				85 - 87.5	185 - 190
Richard Apps - Group Director of Governance (from 15 January 2022)	5 - 10				20 - 22.5	30 - 35
Claire Campbell - Director of Corporate Development, Governance and Assurance (to 18th Jan 2022)	85 - 90				20 - 22.5	110 - 115
Mark Smith - Chief People Officer	80 - 85					80 -85
Rebecca Taylor - Group Director of Transformation and Quality Improvement (from 27 September 2021)	30 - 35				5 - 7.5	35 - 40
John Archard-Jones - Non-Executive Director (to 23rd April 2021)	0 - 5					0 - 5
Annette Gill - Non-Executive Director (to 1st November 2021)	5 - 10					5 -10
Jill Houghton - Non-Executive Director	10 - 15					10 -15
David Moore - Non-Executive Director	10 - 15					10 - 15
Thompson Robinson - Non-Executive Director (to 31st August 2021)	5 - 10					5 - 10
Rachel Parker - Non-Executive Director	10 - 15					10 - 15
Denise Kirkham - Non-Executive Director	10 - 15					10 - 15
Elena Lokteva - Non-Executive Director (from 6th January 2022)	0 - 5					0 - 5
Ghulam (Andre) Ng - Non-Executive Director (from 1st December 2021)	0 - 5					0 - 5

Salary Notes 2021-22

1. Simon Weldon, Joanna Fawcus, Jon Evans, Andy Callow, Richards Apps, Mark Smith and Rebecca Taylor are employed by Kettering General Hospital NHS Foundation Trust.
2. KGH has recharged 50% of total salaries for the respective months for the 'Group' appointments of Chief Executive (total salary £220 - 225k), Chief Finance Officer (total salary £130 -135k), Chief Digital Information Officer (total salary £145 -150k), Director of Governance (total salary £15-20k), Chief People Officer (total salary £165 - 170k) and Director of Transformation and Quality Improvement (total salary £60 -65k).
3. Salary for Joanna Fawcus is recharged in full.
4. 50% of the salary for Stuart Finn has been recharged to KGH from 1st September 2021 (total salary £110 -115k)

Pension benefit report – subject to audit

Name and Title	Real increase in pension at Pension Age (bands of £2,500)	Real increase in pension lump sum at Pension Age (bands of £2,500)	Total accrued pension at Pension Age at 31 March 2023 (bands of £5,000)	Lump sum at Pension Age related to accrued pension at 31 March 2023 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2022	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2023	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Simon Weldon - Group Chief Executive	0 - 2.5	0	30 - 35	60 - 65	577	27	637	N/A
Debbie Needham - Group Chief Executive (16th January - 31st March 2023)	0 - 2.5	0	35 - 40	70 - 75	583	0	635	N/A
Heidi Smoult - Hospital Chief Executive Officer	2.5 - 5	2.5 - 5	35 - 40	50 - 55	432	45	513	N/A
Palmer Winstanley - Chief Operating Officer	2 - 2.5	0	15 - 20	0	128	8	156	N/A
Matthew Metcalfe - Medical Director (1st April 2022 - 31st May 2022)	0 - 2.5	0 - 2.5	55 - 60	130 - 135	1,009	0	1,122	N/A
Hemant Nemade - Medical Director (from 1st June 2022)	0 - 2.5	0	20 - 25	0	184	9	219	N/A
Debra Shanahan - Director of Nursing, Midwifery and Patient Services	20 - 22.5	55 - 57.5	55 - 60	165 - 170	816	476	1,333	N/A
Jon Evans - Group Chief Finance Officer	0 - 2.5	0 - 2.5	20 - 25	30 - 35	238	16	273	N/A
Andy Callow - Group Chief Digital Information Officer (1st April 22 - 26 September 22) and Group Chief Executive (27th September 2022 - 13th Jan 2023)	0 - 2.5	0	5 - 10	0	91	15	123	N/A
Natasha Chare - Group Chief Digital Information Officer (from 1st February 2023)	0 - 2.5	0	0 - 5	0	14	0	22	N/A
Dan Howard - Group Chief Digital Information Officer (27th September 2022 - 31st January 2023)	0 - 2.5	0	0 - 5	0	7	0	19	N/A
Stuart Finn - Group Director of Estates and Facilities	0 - 2.5	0 - 2.5	10 - 15	15 - 20	191	12	217	N/A
Karen Spellman - Director of Strategy and Partnerships/Group Director of Integration and Partnerships	0 - 2.5	0	35 - 40	70 - 75	683	28	746	N/A
Richard Apps - Group Director of Governance	0 - 2.5	0 - 2.5	10 - 15	20 - 25	185	16	216	N/A
Mark Smith - Chief People Officer (to 31 July 2022)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paula Kirkpatrick - Group Chief People Officer (from 31st July 2022)	0 - 2.5	0	0 - 5	0	34	3	53	N/A
Rebecca Taylor - Group Director of Transformation and Quality Improvement	0 - 2.5	0	0 - 5	0	5	1	15	N/A

Pension benefit notes 2022-23

1. As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.
2. In 2022-23 Simon Weldon, Debbie Needham, Jon Evans, Andy Callow, Natasha Chare, Richard Apps, Mark Smith, Paula Kirkpatrick and Rebecca Taylor were fully remunerated by Kettering General Hospital Foundation Trust as their primary employer. Northampton General Hospital reimbursed KGH for 50% of their costs for the period that they held a group role and as such NGH show only 50% of pay and pension details for the relevant period with KGH disclosing the remaining 50%.
3. Stuart Finn and Dan Howard were fully remunerated by NGH as their primary employer. 50% of Stuart Finn's costs for the full year and 50% of Dan Howard's costs for the period October 2022 - January 2023 have been recharged to KGH and as such NGH only show 50% of pay and pension details for this period, with KGH disclosing the remaining 50% for Dan Howard. Stuart Finn, whilst in a Group Director role, is not considered to be a KGH Board Member.
4. 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 (or other allowable beneficiary'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 in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.
5. Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.
6. The benefits and related CETVs in the above table do not allow for a potential future adjustment arising from the McCloud judgement.
7. Members of the NHS Pension scheme are entitled to claim payment of their benefits early from any age on or after their minimum pension age up to their normal pension age (this differs dependant on scheme). When taking actuarially reduced early retirement, pension is reduced to allow for the fact that it is being paid earlier than expected. 8.The inflation applied to the accrued pension, lump sum (if applicable) and CETV is the percentage (if any) by which the Consumer Prices Index (CPI) for the September before the start of the tax year is higher than it was for the previous September.
8. The Consumer Prices Index up to September 2021 was 3.1%,. Therefore for pensions and CETV calculation purposes CPI is 3.1%.
9. CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023 to 24 CETV figures
10. No lump sum is shown for senior managers who only have membership in the 2015 Scheme or 2008 Section (unless they chose to move their 1995 Section benefits to the 2008 Section under the Choice exercise).
11. No CETV is shown for pensioners or senior managers over NPA. Age 60 in the 1995 Section, age 65 in the 2008 Section or SPA or age 65, whichever is the later, in the 2015 scheme.
12. No values are shown for senior managers that have opted out of the NHS Pension scheme.

Heidi Smoult, Chief Executive and Accountable Officer, 27 June 2023

Jon Evans, Group Chief Finance Officer
27 June 2023

Off Payroll Report Finance update

Table 1: Off-Payroll Engagements longer than 6 months

For all off-payroll engagements as of 31 March 2023, for more than £245 per day* and that last longer than six months:

Narrative	Number
Number of existing engagements as of 31 March 2023	0
Of which, the number that have existed:	
for less than one year at the time of reporting	
for between 1 and 2 years at the time of reporting	
for between 2 and 3 years at the time of reporting	
for between 3 and 4 years at the time of reporting	
for 4 or more years at the time of reporting	

*The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

Table 2: Off-payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2022 and 31 March 2023, for more than £245* per day:

Narrative	Number
Number of temporary off-payroll workers engaged between 1 April 2021 and 31 March 2022	2
Of which, the number	
not subject to off-payroll legislation**	0
subject to off-payroll legislation and determined as in-scope of IR35**	2
subject to off-payroll legislation and determined as out of scope of IR35**	0
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which : number of engagements that saw a change to IR35 status following review	0

*The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

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

Table 3: Off-Payroll board membership / senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023:

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	**0**

Total number of individuals on payroll and off-payroll that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure must include both on payroll and off-payroll engagements	**18**

STAFF REPORT

Our Board of Directors

Northampton General Hospital NHS Trust is governed by a Board of Directors. The Board is made up of Executive Directors, appointed to specific roles within the organisation, and Non-Executive Directors, who bring a range of external expertise with them.

CHAIR AND NON-EXECUTIVE DIRECTORS (at 31 March 2023)

Alan Burns, Chair

Alan was appointed as Chairman in December 2018. He has many years' experience as a strategic health authority Chief Executive and until his retirement on 31 March 2023 was also Chair of Kettering General Hospital NHS Foundation Trust. Alan was previously Chair of Hinchingbrooke Hospital and Princess Alexandra Hospital in Harlow. He has also been involved in national work on public sector reform and research and development, and was Vice-Chairman of the NHS Confederation.

Alan retired from the role on 31 March 2023, and received a Lifetime Achievement Award at the Staff Excellence Awards held on 16 March 2023. In making this award, the Trusts (Kettering and Northampton) recognised that, through many years of service to the NHS, Alan used his knowledge, expertise, and passion, to advise and influence national policy through deep relationships with local communities and health and social care leaders. Combined with this, Alan brought about local and national change and improvement to a range of health and social care systems by influencing national opinion, policy, and direction.

During 2022-23, Alan chaired the Board of Directors, the Remuneration and Appointments Committee, and the Group Strategic Development Committee.

Rachel Parker

Rachel Parker was appointed as a non-executive director in January 2020 and, during 2022-23, was the Trust's Vice-Chair and Senior Independent Director. She has several years' board level experience of managing operations and improving performance through a combination of leadership and strategic planning.

Rachel co-chairs the Finance and Performance and Group Transformation Committees with Kettering General Hospital. Following Alan Burns's retirement, Rachel will take up the position as Interim Trust Chair from 1 April 2023.

Jill Houghton

Jill was appointed as a non-executive director in May 2018. She is currently a registered nurse and has worked as a midwife and health visitor. Jill has had experience in all sectors of

member she has been responsible for patient services, quality, medicines optimisation and children, young people and maternity commissioning. Jill was most recently Chief Nurse for Cambridgeshire and Peterborough CCG and is now a Maternity Clinical Lead within the national Maternal and Neonatal Health Safety Collaborative. Jill is the Trust's Non-Executive Maternity champion and is a member of the Group Clinical Quality, Safety and Performance and Audit Committees.

Denise Kirkham

Denise joined the NGH Board in February 2020. As an Executive Resourcing and Organisational Development professional, Denise is highly experienced at working with Boards and Executive teams in an advisory and developmental capacity. Qualified to Level A and B in Occupational Testing, Myers Briggs and ILM 7 Executive coaching studies, Denise has held posts at Director level across sectors. Throughout her consultancy career, Denise has led and delivered on executive and non-executive recruitment, major culture change projects, organisational structure reviews and executive coaching. Through her earlier career in the private sector, Denise developed strong business development and commercial skills, and a clear understanding of customer focus.

Denise co-chairs the Group People Committee and is a member of the Group Finance and Performance and Group Strategic Development Committees

Elena Lokteva

Elena's executive career was in the private equity industry. Focusing on investments in complex, turnaround situations she managed international teams handling acquisitions and exits across Europe and the Middle East and led restructuring of businesses in Russia and Finland.

Elena has more than twenty years of board level experience in executive, and non-executive capacities. Her current non-executive portfolio also includes North Middlesex University Hospital NHS Trust and Essex Partnership University NHS Foundation Trust. Elena is a qualified accountant and a Fellow at the Chartered Institute of Management Accountants. Elena chairs the Trust's Audit Committee and is a member of the Group People, Group Digital Hospital and Group Elective Collaborative (Lead Provider) Committees.

Professor G. Andre Ng (Associate, Non-Voting)

André was appointed as an Associate Non-Executive Director in December 2021. He is a consultant cardiologist and electrophysiologist based at Leicester with specialist interest in heart rhythm management. He is a clinical academic and is currently Head of Department of Cardiovascular Sciences at the University of Leicester, with research interests in sudden cardiac death and atrial fibrillation. He is President Elect of the British Cardiovascular Society and Deputy Chair of the East Midlands Cardiac Network as well as clinical pathway lead for heart rhythm. Andre co-chairs the Group Clinical Quality, Safety and Performance Committee.

Anette Whitehouse

Anette joined the Board in January 2023 and is a member of the Group Digital Hospital Committee. Anette is an experienced nurse and health visitor who is passionate about seeking and attaining better outcomes for the users of public services. Anette's background is in researching, evaluating and co-ordinated services for children with complex needs, following which she has managed large children's centres and nursery schools. Anette joined the Trust in January 2023, lives in Market Harborough, is the Team Manager for a Quadrille Team and the Chair of her local Riding Club.

EXECUTIVE DIRECTORS (at 31 March 2023)

Simon Weldon, Group Chief Executive (Voting)

Simon was appointed as Group Chief Executive for Northampton General Hospital NHS Trust and Kettering General Hospital NHS Foundation Trust in July 2020. Simon was appointed as chief executive of Kettering General Hospital in July 2018, prior to which he was director of operations and delivery within NHS England. As regional chief operating officer for NHS England in London, Simon's responsibilities included public health, primary care and specialised commissioning. He has extensive experience of acute contracting and performance.

Simon left the Trusts' employment on 31 March 2023 to take up a new role with the South East Coast Ambulance Service.

Heidi Smoult, Hospital CEO (Voting)

Heidi joined the Trust as Hospital Chief Executive in August 2021. Prior to this, Heidi was at the Care Quality Commission (CQC) where she held the role of Deputy Chief Inspector for seven years. Heidi began her career as a Midwife and has worked in a number of operational roles in NHS Trusts, before leading work at a regional and national level in the CQC.

Heidi took up the role of Interim Chief Executive on 1 April 2023, following the departure of Simon Weldon.

Natasha Chare, Group Chief Digital Information Officer (non-voting)

Natasha brings with her a strong track record of leading engaged teams to deliver strategic change for the benefit of patients and staff.

Natasha's focus is to ensure our digital team responds to the needs of our organisation knowing that digital is a key enabler in supporting our colleagues to have the tools and information they need to do their job most effectively. Natasha's emphasis is on digital working with wider teams to bring about digital progress across our hospital including supporting clinicians to have access to full, accurate and timely patient information and giving patients the ability to increasingly be in control of their care.

Natasha's background is in change management and transformation –before joining the digital team in 2020, Natasha was in Kettering's transformation team. Prior to this Natasha was a management consultant working alongside public sector teams to improve operational practices and processes including as digital lead. Natasha has also worked in numerous continuous improvement and commercial roles in the logistics sector. More recently, Natasha has received a post graduate diploma in Digital Health Leadership.

Jon Evans, Group Chief Finance Officer (Voting)

Jon joined Kettering and Northampton General Hospitals in June 2021 as Group Chief Finance Officer.

Previously, Jon was Director of Finance at Oxford University Hospitals and prior to that worked in various senior finance roles at Imperial College Healthcare and University College Hospitals in London, having started his career in the NHS on the national graduate training scheme.

Jon is a qualified chartered management accountant and has an MBA from the Alliance Manchester Business School. He is an active member of the Healthcare Finance Management Association, having been part of various committees and regional branches throughout his career.

Paula Kirkpatrick, Group Chief People Officer (non-voting)

Paula joined Kettering General Hospital in 2019 after a career in HR spanning both public and private sectors, latterly including 15 years in policing where she was half of a job share partnership working in a number of senior roles. Whilst working for Cambridgeshire Constabulary Paula was part of the HR leadership team that developed a collaborated HR service across Bedfordshire, Cambridgeshire and Hertfordshire police forces. Initially joining KGH as Deputy Director HR and OD in September 2019, Paula was appointed as Deputy Director HR and OD in June 2020 and Acting Chief People Officer in July 2022.

Paula's areas of interest include health and wellbeing and equality, diversity and inclusion. She believes leadership is about supporting teams and individuals to be the best they can be: by ensuring people are healthy and well in the broadest sense; are able to be themselves in the workplace, bringing all their skills and expertise to their role; and are supported and developed to reach their potential.

On 1st September 2022 Paula was appointed as Group Chief People Officer.

Becky Taylor, Group Director of Transformation and Quality Improvement (Non-Voting)

Becky joined Kettering and Northampton Hospitals in October 2021, and has responsibility for leading the Transformation and Quality Improvement agenda across University Hospitals of Northamptonshire. This includes being the executive lead for large-scale transformation programmes across KGH and NGH, supporting and enabling a culture of quality improvement, and the monitoring and tracking of programmes and projects.

Becky spent much of her career in management consultancy supporting different acute providers, community providers, local authorities and NHS national bodies to develop strategies and transform services. She is a Health Foundation Q Community Fellow and is passionate about supporting staff to make things work better for both our patients and our staff.

Debra Shanahan, Interim Director of Nursing and Quality (Voting)

Debra took up this role on an Interim Basis in February 2022, having previously held the post of Deputy Director of Nursing and Quality. Debra has over 30 years' experience, much of which has been based at Northampton General Hospital. Her experience has been in a variety of settings and includes Surgical Nursing, Gynaecology, Head and Neck, Maternity and setting up a Nurse led one stop Pre-Operative Assessment Service.

Stuart Finn, Group Director of Estates and Facilities (Non-Voting)

Stuart's career began in electrical engineering. He has worked in both technical and senior management roles in several industries including airports, automotive manufacturing, semi-conductor manufacturing and facilities management. He joined the Trust in December 2006 and prior to his current role he was the Head of Estates and Deputy Director of Facilities. Stuart has responsibility for both hard and soft services facilities management as well as our Clinical Engineering and sterile services departments.

Hemant Nemade, Medical Director (Voting)

Hemant joined NGH in 2017 as a Consultant Urologist. Since then, he has worked in a number of roles from Regional Director for the Royal College of Surgeons to the Trust Clinical Director for Cancer Performance.

Following his appointment as Deputy Medical Director in 2020, Hemant has supported the

Palmer Winstanley, Chief Operating Officer (Non-Voting)

In February 2022 Palmer was appointed as Chief Operating Officer for Northampton General Hospital. Prior to this, he was the Site Executive Director of Operations at Kings College Hospital. He is passionate about empowering our leaders and enabling clinically led change for the benefit of patients across Northamptonshire.

Palmer was initially an Army Officer in the Infantry for just over nine years serving around the world on operational deployments in Kosovo and Afghanistan. His roles included commanding troops on the front line, Intelligence work, communications, strategic NATO work and training recruits. Since leaving, he joined the NHS and worked in Norfolk, Hertfordshire and London working across all areas of Acute Hospitals before joining us in Northampton.

Staff costs and numbers

Staff Costs			**2022-23**	**2021/22**
	Permanent	**Other**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**
Salaries and wages	250,220	1,914	**252,134**	234,059
Social security costs	27,299	0	**27,299**	24,685
Apprenticeship levy	1,260	0	**1,260**	1,165
Employer's contributions to NHS pension scheme	26,377	0	**36,377**	34,908
Pension cost – other	93	0	**93**	94
Other post-employment benefits	0	0	**0**	0
Other employment benefits	0	0	**0**	0
Termination benefits	0	0	**0**	0
Temporary staff	0	27,751	**27,751**	23,220
Total gross staff costs	**315,249**	**29,665**	**344,914**	**318,131**
Recoveries in respect of seconded staff	0	0	**0**	0
Total staff costs	**315,249**	**29,665**	**344,914**	**318,131**
Of which				
Costs capitalised as part of assets	738	14	**752**	849

Average number of employees (WTE basis)			**2022-23**	**2012/22**
	Permanent	**Other**	**Total**	**Total**
	Number	**Number**	**Number**	**Number**
Medical and dental	682	132	**814**	777
Ambulance staff	0	0	**0**	0
Administration and estates	1,105	152	**1,257**	1,300
Healthcare assistants and other support staff	1,584	246	**1,830**	1,356
Nursing, midwifery and health visiting	1,050	287	**1,337**	1,824
Nursing, midwifery and health visiting learners	0	0	**0**	0
Scientific, therapeutic and technical	598	31	**629**	641

Average number of employees (WTE basis)			2022-23	2012/22
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Healthcare science staff	150	0	**150**	152
Social care staff	0	0	**0**	0
Other	0	0	**0**	0
Total average numbers	**5,169**	**848**	**6,017**	**6,050**
Of which:				
Number of employees (WTE) engaged on capital projects	17	0	**17**	13

Exit packages

Reporting of compensation schemes - exit packages 2022-23 (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)			
<£10,000	0	0	**0**
£10,000 - £25,000	0	0 (1)	**0 (1)**
£25,001 - 50,000	0 (1)	1 (0)	**1 (1)**
£50,001 - £100,000	1	0	**1**
£100,001 - £150,000	0	0	**0**
£150,001 - £200,000	0	0	**0**
>£200,000	0	0	**0**
Total number of exit packages by type	**1 (1)**	**1 (1)**	**2 (2)**
Total cost (£)	68,000 (42,279)	28,000 (19,500)	**96,000 (61,779)**

Exit packages: other (non-compulsory) departure payments

	2022-23		2021/22	
	Payments agreed		Payments agreed	
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	1	28	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	0	0	1	20
Total	**1**	**28**	**1**	**20**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	0	0	0	0

Staff sickness absence

Staff sickness absence data is published nationally. Information can be obtained via the NHS Digital publication series on NHS Sickness Absence Rates.

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by NHS Digital from ESR Data Warehouse		
Average FTE 2022	Adjusted FTE days lost to Cabinet Office definitions	FTE-Days Available	FTE-Days Lost to Sickness Absence	Average Sick Days per FTE
5,145	76,690	1,877,988	124,409	14.9

Source: NHS Digital - Sickness Absence and Workforce Publication - based on data from the ESR Data Warehouse
Period covered: January to December 2022
ESR (staff record) does not hold details of normal number of days worked by each employee. Data on days available and days recorded sick are based on a 365-day year.
The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure.
The average number of sick days per FTE has been estimated by dividing the FTE Days by the FTE days lost and multiplying by 225/365 to give the Cabinet Office measure. This figure is replicated on returns by dividing the adjusted FTE days lost by Average FTE.

Early retirements due to ill health

	2022-23	2022-23	2021-22	2021-22
	£000s	Number	£000s	Number
Number of early retirements on the grounds of ill-health	45	2	225	2

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Our Trade Union activity

The Trust provides the following Trade Union Facility Time:

- GMB 1 FTE (Staff Side Chair)
- Unison 1 FTE (Staff Side Secretary)

Other ad-hoc time is provided dependent on the exigencies of the service.

In March 2022, for a 12-month period, it was agreed to provide the Staff Side Committee with 1 FTE and Unison with a further 6 days release per week to provide additional support. This has been extended to acknowledge the support still required and the Unison release has been increased to 7.5 days.

Further information regarding Facilities Time can be found on the internet.

Staff Survey Results

Staff engagement is well recognised as being vital to delivering high quality, compassionate care. In addition to the National Staff Survey, Northampton General Hospital runs the 'National Quarterly Pulse Survey' to track the nine staff engagement questions. These are reported through the Group People Committee and shared with

Divisional leadership and HR colleagues to better understand the feedback from staff. The Trust seeks feedback from staff through a variety of mechanisms, including a fortnightly 'Connect, Explore and Improve' forum with Senior Leaders and several Staff Inclusion networks and Shared Decision Making Councils to listen and lead actions based on staff feedback.

The NHS National staff survey is a key piece of intelligence which ran at Northampton General Hospital NHS Foundation Trust from 20 September to 25 November 2022 with 2,723 colleagues taking part representing 47.5% of NGH workforce. This compares with the national median average of 44.5% and marks a slight increase from 2021.

2022-23 and 2021-22

Scores for each indicator together with that of the survey benchmarking group (Acute/Acute and Community Trusts) are presented below.

Indicators (People Promise elements and themes)	2022-23		2021-22	
People promise element	Trust score	Benchmark group	Trust group	Benchmark group
We are compassionate and inclusive	6.9	7.2	6.9	7.2
We are rewarded and recognised	5.5	5.7	5.6	5.8
We each have a voice that counts	6.4	6.6	6.5	6.7
We are safe and healthy	5.7	5.9	5.7	5.9
We are always learning	5.3	5.4	5.3	5.2
We work flexibly	5.8	6.0	5.8	5.9
We are a team	6.4	6.6	6.3	6.6
Staff engagement	6.6	6.8	6.7	6.8
Morale	5.5	5.7	5.6	5.7

2020-21

Scores for each indicator together with that of the survey benchmarking group are below:

	2020-21	
	Trust score	Benchmark group
Equality, Diversity and Inclusion	8.9	9.1
Health and Wellbeing	6.1	6.1
Immediate Managers	6.7	6.8
Morale	6.2	6.2
Quality of Care	7.5	7.5
Safe environment – bullying and harassment	7.8	8.1
Safe environment – violence	9.3	9.5
Safety culture	6.6	6.8
Staff engagement	7.0	7.0
Team working	6.5	6.5

The Trust performance was below the national average in all People Promise elements and themes, with no change in 4 areas, slight decreases of -0.1 in 4 areas and a slight improvement of +0.1 in 'We are a team'. The results for the survey have been analysed and shared across the organisation with visual results at Trust and Divisional level being made available to staff.

Full survey results are available here: Local results for every organisation | NHS Staff Survey (nhsstaffsurveys.com) (hyperlink).

Continuing from 2021, the main four themes continued to be:

- Team working
- Respect
- Leadership and management, and
- Reward and recognition

The Trust has committed to following NHS England's 'Culture and Leadership Programme' across the Group to improving the experience of our staff, with the 'Scoping phase' being concluded and planning to begin the 'Discovery phase' in Q1 2023-24. More information on NHS England's Culture and Leadership Programme can be found here: NHS England » The Culture and Leadership programme (hyperlink).

Equality, Diversity and Inclusion

During 2022-23 we continued to work to and review our progress against our Equality, Diversity and Inclusion Strategy 2021-2024. We have met all our statutory reporting duties and an annual Equality report will be produced and published on our website in line with the Public Sector Equality Duties (PSED).

The key areas of work and actions are linked to and driven by:

- Equality, Diversity and Inclusion Workforce Steering Group
- Inclusion Networks
- Workforce Race Equality Standard (WRES)
- Workforce Disability Standard (WDES)
- Gender Pay Gap Reporting
- National Staff Survey results
- Quarterly Pulse Survey results
- Freedom to Speak Up
- Promotion of equality, diversity and inclusion to increase awareness and cultural competence across all staff groups

Our key achievements included:

- Continued support of our staff networks:
- REACH (Race, Equality and Cultural Heritage) Network
- DAWN (Disability and Wellbeing),
- Pride (LGBTQ+) Network, and VOICE (Women in Medicine) Network
- Continued rollout of trained 'Inclusive Recruitment Champions' on all interview panels at Band 7 and above
- Supporting four staff to be part of the 'Developing Aspirant Leaders' programme
- One of our staff winning the 'Midlands Inclusivity and Diversity Award Scheme' (MIDAS) for Changemaker of the Year
- Celebration event for our REACH and Overseas staff in October 2022, as part of Black History Month
- Review and updating our Equality Impact Assessment processes, to ensure our policies and processes give due regard to people with protected characteristics.

NHS Staff Survey Equality and Diversity Key Findings

The demographics of our workforce who responded to the staff survey were broadly similar to 2021-22 with a significantly higher response of staff saying that they had a Long Term Condition, than compared to our ESR data.

Northampton General Hospital saw improvements in three of the four Workforce Race Equality Standards (WRES) measures, with a positive decrease of 5.8% in discrimination from manager/team leader and a continued reduction in bullying, harassment and abuse from staff for a third consecutive year.

Northampton General Hospital saw slight improvements in seven of the nine Workforce Disability Equality Standards (WDES), although saw an increase in disabled staff receiving bullying, harassment and abuse from the public.

Addressing the experience of staff with protected characteristics is a key part of our 'Culture and Leadership' programme and will work closely with our REACH and DAWN networks to ensure the voices of these staff groups are heard as part of this programme.

Workforce Race Equality Standard (WRES)

Each year we submit Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) data to NHS England and create an action plan to address any disparities reported.

WRES reports data across nine metrics and has been part of the NHS Standard Contract since 2015. Four of the metrics focus on workforce data, four on NHS National Staff Survey results and one metric focuses on BAME representation of the Board in comparison to the overall workforce.

We are working to improve our WRES data further, particularly the staff survey and recruitment metrics. In 2022, we progressed the following interventions to improve our WRES performance:

- Review the impact of the Inclusive Recruitment Champion process and seek to further debias the recruitment and selection process

- Continue to support the RCN Cultural Ambassador programme to support REACH staff during formal and informal HR process to ensure a space/ atmosphere of safety, transparency and support that is offered to the staff
- Work with staff to address increases in violence, aggression, bullying, harassment and discrimination from patients, service users, relatives and carers
- Working with our Group partners, develop a REACH career conversations network, with senior leaders supporting and mentoring senior REACH staff to support their development
- Deliver the 'Dedicated to Excellence' Culture and Leadership Programme, ensuring diverse representation from across the Group to build psychological safety and ensure all staff voices are heard,

You can read a detailed account of our WRES data and actions to improve performance here: https://www.northamptongeneral.nhs.uk/About/Equality-and-diversity-information/Downloads/Workforce-Race-Equality-Standard-WRES/WRES-Infographic-Sep-22-Action-Plan.docx

Workforce Disability Equality Standard (WDES)

The Trust has satisfied the NHS England requirement to publish Workforce Disability Equality Standard (WDES) on an annual basis. There are 10 metrics comparing the experiences of disabled colleagues at NHFT to the experiences of those who are not disabled.

WDES has been part of the NHS Standard Contract since 2019. Three of the metrics focus on representation across pay bands, recruitment and the application of the process for unsatisfactory work performance, six on NHS National Staff Survey results and one metric focuses on disabled representation of the Board in comparison to the overall workforce.

Initiatives to improve performance include:

- Work with disabled staff and the Disability and Wellbeing Network (DAWN) to better understand the reasons why colleagues may not have declared a disability on ESR (HR system), with a view to closing the gap between ESR and National Staff Survey declaration rates;
- Reduce the number of disabled colleagues experiencing harassment, bullying and abuse from patients/public and staff;
- Work with disabled staff and other partners to improve the management of workplace adjustments;
- Deliver the 'Dedicated to Excellence' Culture and Leadership Programme, ensuring diverse representation from across the Group to build psychological safety and ensure all staff voices are heard.

You can read a detailed account of our WRES data and actions to improve performance here: https://www.northamptongeneral.nhs.uk/About/Equality-and-diversity-

information/Downloads/Workforce-Disability-Equality-Standard/WDES-Infographic-Sep-22-Action-Plan.docx

Gender Pay Gap Reporting

Our Gender pay gap report is available on the Government website at: Gender pay gap for Northampton General Hospital Nhs Trust - GOV.UK - GOV.UK (gender-pay-gap.service.gov.uk)

Gender Distribution of Staff

	Agenda for Change Bands 1-7		Agenda for Change Bands 8a – 9		Other Medical and Dental		Consultants		Very Senior Managers		Total
Male	818	64.4%	60	4.6%	216	17%	165	13%	10	1%	1269 (21%)
Female	4270	89.5%	208	4.4%`	188	3.9%	88	1.8%	15	0.4%	4769 (79%)
Total	5088	84.3%	268	4.4%	404	6.7%	253	4.2%	25	0.4%	6038 (100%)

Modern slavery statement

This statement is made in pursuant to section 54 of the Modern Slavery Act 2015 and sets out the steps that Northampton General Hospital NHS Trust has taken and continues to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Northampton General Hospital NHS Trust provides general acute services for a population of 380,000 and hyper-acute stroke, vascular and renal services to people living throughout whole of Northamptonshire, a population of 692,000.

The organisation is also an accredited cancer centre and provides cancer services to a wider population of 880,000 who live in Northamptonshire and parts of Buckinghamshire.

The principal activity of the organisation is the provision of free healthcare to eligible patients.

Northampton General Hospital NHS Trust's position on modern slavery is to:

- Comply with legislation and regulatory requirements
- Make suppliers and service providers aware that we promote the requirements of the legislation
- Develop an awareness of human trafficking and modern slavery within our workforce
- Consider human trafficking and modern slavery issues when making procurement decisions in accordance with the Trust's Policies on Modern Slavery

The Trust fully supports the Government's objectives to eradicate modern slavery and human trafficking and recognises the significant role the NHS has to play in both combatting it and supporting victims.

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business and in so far as is possible, to requiring our supplies hold a corresponding ethos.

To identify and mitigate the risks of modern slavery and human trafficking in our own business, Northampton General Hospital has established robust recruitment procedures, details of which are found in its Recruitment, Selection and Retention Policy.

The policy supports compliance with national NHS Employment Checks and CQC standards. In addition all other external agencies providing staff have been approved through Government Procurement Suppliers (GPS). Modern slavery is incorporated within Northampton General's Safeguarding Children and Safeguarding Adults policies. In addition, modern slavery is reference within the Safeguarding Children and Adult

mandatory training from levels 1 -3, which applies to all staff employed by Northampton General Hospital as per the Safeguarding Training Strategy.

Staff must:

- Confirm their identities as new employees and their right to work in the United Kingdom
- Undertake safeguarding training appropriate to their roles and responsibilities to identify those who are victims of modern slavery and human trafficking
- Raise any concerns about working or clinical practice
- Work with the Procurement Department when looking to work with new suppliers so appropriate checks relating to modern slavery can be undertaken.

Working with Suppliers

The Trust's Procurement Department will ensure its supplier base and associated supply chain, which provides goods and / or services to Northampton General Hospital have taken the necessary steps to ensure modern slavery is not taking place.

The Procurement Department have committed to ensuring that this is monitored and reviewed with its supplier base via the Trust's 3 Year Procurement Strategy. The Trust follows good practice, ensuring all reasonable steps are taken to prevent slavery and human trafficking and will continue to support the requirements of the Modern Slavery Act 2015 and any future legislation.

Heidi Smoult

Chief Executive and Accountable Officer

27 June 2023

Section 3: Financial Statements

Independent auditors report

Annual accounts

Independent auditor's report to the directors of Northampton General Hospital NHS Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of Northampton General Hospital NHS Trust (the 'Trust') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2023 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

In our evaluation of the directors' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2022-23 that the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Trust and the Trust's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS England, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Corporate Governance Report addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2022-23; and
- based on the work undertaken in the course of the audit of the financial statements, the other information published together with the 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:

- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
  relation to Northampton General Hospital NHS Trust' ongoing breach of its statutory break even duty for the three years ended 31 March 2023.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities in respect of the accounts [set out on page 61], the directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23).
- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to [include relevant details for your audit, e.g. health and safety, employee matters, and data protection].
- We enquired of management and the Audit Committee, concerning the Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls, presumed risk of fraud in some elements of revenue and expenditure recognition. We determined that the principle risks were in relation to:
- Journal entries that impacted on the profit line
- Manual journals, particularly those around the year end
- Potential management bias in determining accounting estimates, especially in relation to:
  - The valuation of the Trust's land and buildings
  - Completeness of expenditure and payables

- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a focus on journal entries posted by senior members of the finance team, unbalanced journal entries, and significant journal entries at the end of the financial year which impacted on the Trust's financial performance;
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and buildings valuations and accruals of income and expenditure at the end of the financial year;
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to revaluation of land and buildings, depreciation and accruals.
- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the Trust operates
  - understanding of the legal and regulatory requirements specific to the Trust including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The Trust's control environment, including the policies and procedures implemented by the Trust to ensure compliance with the requirements of the financial reporting framework.

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 other legal and regulatory requirements –the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves 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.

Our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Trust's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, they will be reported by exception in a further auditor's report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2023.

Responsibilities of the Accountable Officer

As explained in the Statement of the chief executive's responsibilities as the accountable officer of the Trust [set out on page 60], the Chief Executive, as Accountable Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(2A)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Northampton General Hospital NHS Trust for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

Use of our report

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

M C Stocks

Mark Stocks, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

29 June 2023

Independent auditor's report to the directors of Northampton General Hospital NHS Trust

In our auditor's report issued on 29 June 2023, we explained that we could not formally conclude the audit and issue an audit certificate for the Trust for the year ended 31 March 2023, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed this work, and the results of our work are set out below.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2023 issued on 29 June 2023 we reported that, in our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2023 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

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 this opinion.

Report on other legal and regulatory requirements - the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves 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 nothing to report in respect of the above matter except on 20 September 2023 we identified a significant weakness in how the Trust plans and manages its resources to ensure it can continue to deliver its services. During 2022/23 the Trust amended its forecast for the year from a £1.9m deficit to a £15.2m deficit – which is what it achieved. This represents a significant movement from the plan it originally developed. The financial plan the Trust agreed to was unrealistic, however it is recognised that the Trust followed the national planning guidelines issued by NHSE. The Trust has identified areas where efficiencies are possible – primarily in reducing pay costs. The theory to support these plans is reasonable, but the Trust has not developed detailed, fully worked up plans which will support it in delivering the efficiencies required.

We recommended that:

- The Trust needs to ensure it agrees credible annual budgets which are based on realistic assumptions and which allows them to avoid having to change forecast during the year. In order to support the annual budget setting process, the Trust needs to develop a Medium-Term Financial Plan (MTFP) in agreement with other system partners. The Trust needs to ensure that savings schemes and efficiencies that are included in the budget, are fully worked up and realistic.

Responsibilities of the Accountable Officer

The Chief Executive, as Accountable Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under section 21(2A)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the

Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Northampton General NHS Trust for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

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

M C Stocks

Mark Stocks, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

21 September 2023

Statement of Comprehensive Income

	Note	2022/23 £000	2021/22 £000
Operating income from patient care activities	3	442,355	410,813
Other operating income	4	47,835	51,020
Operating expenses	7, 9	(486,448)	(458,554)
Operating surplus from continuing operations		**3,742**	**3,279**
Finance income	11	667	14
Finance expenses	12	(380)	(341)
PDC dividends payable		(5,720)	(5,416)
Net finance costs		**(5,433)**	**(5,743)**
Other gains / (losses)	13	9	4
Deficit for the year from continuing operations		**(1,682)**	**(2,460)**
Deficit for the year		**(1,682)**	**(2,460)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(102)	(54)
Revaluations	17	10,080	5,843
Total comprehensive income for the period		**8,296**	**3,329**
Adjusted financial performance (control total basis):			
Deficit for the period		(1,682)	(2,460)
Remove net impairments not scoring to the Departmental expenditure limit		(3,158)	2,690
Remove (gains) / losses on transfers by absorption		0	0
Remove I&E impact of capital grants and donations		(10,392)	(104)
Prior period adjustments		0	0
Remove non-cash element of on-SoFP pension costs		0	0
Remove net impact of inventories received from DHSC group bodies for COVID response		5	251
Remove loss recognised on peppercorn lease disposals		0	0
Remove loss recognised on return of donated COVID assets to DHSC		0	0
Adjusted financial performance surplus / (deficit)		**(15,227)**	**377**

The decrease in impairment of £3,158k relates to a revaluation exercise applied to the Trust's building as at 31 March 2023 and is excluded from retained deficit and statutory breakeven in accordance with the DHSC Group Accounting Manual (GAM), note 16 refers.

Donated asset adjustment of £10,392k (consisting of £565k donated depreciation and £19k Right of use assets - peppercorn leases depreciation less £229k donated additions and £10,747k cash grants for the purchase of capital assets) is excluded from retained surplus and statutory breakeven duty in accordance with the DHSC Group Accounting Manual.

Statement of Financial Position

	Note	31 March 2023 £000	31 March 2022 £000
Non-current assets			
Intangible assets	14	9,364	7,649
Property, plant and equipment	15	211,884	200,704
Right of use assets	18	22,718	0
Receivables	20	922	1,103
Total non-current assets		**244,888**	**209,456**
Current assets			
Inventories	19	6,723	6,663
Receivables	20	32,008	17,773
Cash and cash equivalents	22	1,837	10,063
Total current assets		**40,568**	**34,499**
Current liabilities			
Trade and other payables	23	(50,243)	(26,534)
Borrowings	25	(1,706)	(1,516)
Provisions	26	(1,084)	(2,342)
Other liabilities	24	(2,758)	(3,562)
Total current liabilities		**(55,791)**	**(33,954)**
Total assets less current liabilities		**229,665**	**210,001**
Non-current liabilities			
Borrowings	25	(14,198)	(7,779)
Provisions	26	(2,027)	(1,866)
Total non-current liabilities		**(16,225)**	**(9,645)**
Total assets employed		**213,440**	**200,356**
Financed by			
Public dividend capital		273,256	268,468
Revaluation reserve		57,666	47,799
Income and expenditure reserve		(117,482)	(115,911)
Total taxpayers' equity		**213,440**	**200,356**

The notes on pages 102 to 151 form part of these accounts.

Name Heidi Smoult
Position Chief Executive and Accountable Officer
Date 27 June 2023

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**268,468**	**47,799**	**(115,911)**	**200,356**
Surplus/(deficit) for the year	0	0	(1,682)	**(1,682)**
Other transfers between reserves	0	(111)	111	**0**
Impairments	0	(102)	0	**(102)**
Revaluations	0	10,080	0	**10,080**
Public dividend capital received	4,788	0	0	**4,788**
Taxpayers' and others' equity at 31 March 2023	**273,256**	**57,666**	**(117,482)**	**213,440**

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

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**259,588**	**42,145**	**(113,586)**	**188,147**
Surplus/(deficit) for the year	0	0	(2,460)	**(2,460)**
Other transfers between reserves	0	(135)	135	**0**
Impairments	0	(54)	0	**(54)**
Revaluations	0	5,843	0	**5,843**
Public dividend capital received	8,880	0	0	**8,880**
Taxpayers' and others' equity at 31 March 2022	**268,468**	**47,799**	**(115,911)**	**200,356**

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.

Statement of Cash Flows

	Note	2022/23 £000	2021/22 £000
Cash flows from operating activities			
Operating surplus / (deficit)		3,742	3,279
Non-cash income and expense:			
Depreciation and amortisation	7.1	15,966	12,022
Net impairments	8	(3,356)	2,096
Income recognised in respect of capital donations	4	(10,976)	(641)
(Increase) / decrease in receivables and other assets		(8,587)	(1,693)
(Increase) / decrease in inventories		(60)	(354)
Increase / (decrease) in payables and other liabilities		18,892	1,204
Increase / (decrease) in provisions		(1,106)	142
Other movements in operating cash flows		(6)	(10)
Net cash flows from / (used in) operating activities		**14,509**	**16,045**
Cash flows from investing activities			
Interest received		579	14
Purchase of intangible assets		(2,097)	(5,603)
Purchase of PPE and investment property		(22,062)	(27,810)
Sales of PPE and investment property		9	4
Receipt of cash donations to purchase assets		5,362	0
Finance lease receipts (principal and interest)		6	0
Net cash flows from / (used in) investing activities		**(18,203)**	**(33,395)**
Cash flows from financing activities			
Public dividend capital received		4,788	8,880
Movement on other loans		(261)	(38)
Capital element of lease liability repayments		(2,864)	(1,206)
Other interest		(1)	(1)
Interest element of lease liability repayments		(363)	(326)
PDC dividend (paid) / refunded		(5,831)	(5,324)
Net cash flows from / (used in) financing activities		**(4,532)**	**1,985**
Increase / (decrease) in cash and cash equivalents		**(8,226)**	**(15,365)**
Cash and cash equivalents at 1 April - brought forward		**10,063**	**25,428**
Cash and cash equivalents at 31 March	22.1	**1,837**	**10,063**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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 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.

Payment terms are standard reflecting cross government principles.

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. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services.

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

Elective recovery funding provides additional funding for the delivery of elective services. In 2022/23 elective recovery funding was included within the aligned payment and incentive contracts. In 2021/22 income earned by the system based on achievement of elective recovery targets was distributed between individual entities by local agreement and income earned from the fund was accounted for as variable consideration.

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

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 1.4 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 grants 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 1.5 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

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

Note 1.6 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 1.7 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

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

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which 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 or NHS England 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	14	53
Dwellings	33	33
Plant & machinery	5	15
Transport equipment	7	7
Information technology	3	10
Furniture & fittings	5	5

Note 1.8 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, e.g. application software, is capitalised as an intangible asset.

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	1	7
Software licences	1	10

Note 2 Operating Segments

The Trust Board considers all of its operations to be the provision of Healthcare operated as a single segment.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.3

Note 3.1 Income from patient care activities (by nature)	**2021/22**	**2020/21**
	£000	**£000**
Block contract / system envelope income	364,166	320,936
High cost drugs income from commissioners (excluding pass-through costs)	28,425	24,622
Other NHS clinical income	1,051	1,688
All services		
Private patient income	643	402
Elective recovery fund	4,886	0
Additional pension contribution central funding*	10,640	9,973
Other clinical income	1,002	6,087
Total income from activities	**410,813**	**363,708**

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

Note 3.2 Income from patient care activities (by source)

	2021/22	**2020/21**
Income from patient care activities received from:	**£000**	**£000**
NHS England	62,331	62,236
Clinical commissioning groups	345,979	298,546
Other NHS providers	858	627
NHS other	0	107
Non-NHS: private patients	643	402
Non-NHS: overseas patients (chargeable to patient)	267	753
Injury cost recovery scheme	735	1,037
Total income from activities	**410,813**	**363,708**
Of which:		
Related to continuing operations	410,813	363,708
Related to discontinued operations	0	0

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.

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).

A full review has been undertaken by invoice type which includes general, private patient, overseas visitors, salary overpayments and NHS organisations. This has been analysed by levels of aged debt to determine a level of anticipated loss in relation to these. The overseas visitors assumes an average recovery level on an overall rate of 9%. This does not include outstanding debt with other NHS organisations.

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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 1.12 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, 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.

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 1.13 Provisions

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

		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%
Very long-term	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 2023:

	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 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 26.2 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 1.14 Contingencies

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

Contingent liabilities are defined as:

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

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

Note 1.15 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 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.18 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

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 Gifts

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

Note 1.22 Early adoption of standards, amendments and interpretations

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

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

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

Other standards, amendments and interpretations

IFRS17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM, early adoption is therefore not permitted.

Note 1.24 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:

- determining the appropriate asset lives for the Trust's buildings following a professional review undertaken by professionally qualified chartered surveyors
- determining the appropriate method of valuation of the Trust's property assets and in particular when and how to apply the Modern Equivalent Asset method of valuation. The key assumptions applied in using this approach are set out in note 17.

Note 1.25 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:

As detailed in Accounting Policy note 1.7, Revaluations of property plant and equipment, Valuation company Gerald Eve LLP provided the trust with a valuation of the land and building assets (estimated fair value and remaining useful life). The significant estimation being the depreciated replacement value (using modern equivalent methodology) of the Trust's Land and Buildings. The underlying space being valued is based on an assessment of Gross Internal Area (GIA) which is undertaken by the Trust's estates department, and that this assessment is updated on a regular basis. Further revaluations of the Trust's property may result in further material change to the carrying value of these assets.

For a material change to occur a BCIS cost indices or location factor movement of 2.9% for buildings with a current carrying amount of £179.8m would be required for Northamptonshire.

Note 2 Operating Segments

The Trust Board considers all of its operations to be the provision of Healthcare operated as a single segment.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.3

Note 3.1 Income from patient care activities (by nature)	2022/23	2021/22
	£000	£000
Income from commissioners under API contracts*	378,151	364,166
High cost drugs income from commissioners (excluding pass-through costs)	29,705	28,425
Other NHS clinical income	888	1,051
All services		
Private patient income	568	643
Elective recovery fund	10,832	4,886
Agenda for change pay award central funding***	9,612	0
Additional pension contribution central funding**	11,107	10,640
Other clinical income	1,492	1,002
Total income from activities	**442,355**	**410,813**

*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 documents.

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.

***In March 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

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	85,008	62,331
Clinical commissioning groups*	84,893	345,979
Integrated care boards*	269,618	0
Other NHS providers	888	858
Non-NHS: private patients	568	643
Non-NHS: overseas patients (chargeable to patient)	407	267
Injury cost recovery scheme	972	735
Non NHS: other	1	0
Total income from activities	**442,355**	**410,813**
Of which:		
Related to continuing operations	442,355	410,813
Related to discontinued operations	0	0

*Integrated care boards (ICBs) replaced clinical commissioning groups (CCGs) in the NHS in England from 1 July 2022.

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

	2022/23	2021/22
	£000	£000
Income recognised this year	407	267
Cash payments received in-year	104	136
Amounts added to provision for impairment of receivables	413	330
Amounts written off in-year	458	422

Note 4 Other operating income

	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	301	0	**301**	133	0	**133**
Education and training	14,305	553	**14,858**	13,094	641	**13,735**
Non-patient care services to other bodies	1,564	0	**1,564**	1,336	0	**1,336**
Reimbursement and top up funding	599	0	**599**	3,394	0	**3,394**
Income in respect of employee benefits accounted on a gross basis	3,982	0	**3,982**	3,855	0	**3,855**
Receipt of capital grants and donations and peppercorn leases	0	10,976	**10,976**	0	641	**641**
Charitable and other contributions to expenditure	0	1,119	**1,119**	0	1,501	**1,501**
Revenue from finance leases (variable lease receipts)	0	0	**0**	0	0	**0**
Revenue from operating leases	0	44	**44**	0	41	**41**
Amortisation of PFI deferred income / credits	0	0	**0**	0	0	**0**
Other income	14,392	0	**14,392**	26,384	0	**26,384**
Total other operating income	**35,143**	**12,692**	**47,835**	**48,196**	**2,824**	**51,020**
Of which:						
Related to continuing operations			47,835			51,020
Related to discontinued operations			0			0

	2022/23	2021/22
	£000	£000
Other contract income includes :		
Development and project related funding income	5,070	10,057
Non Recurrent System Funding	0	9,102
Clinical Tests	743	843
Catering	769	743
Inter-hospital recharges	1,357	728
Local government funding/recharges	1,166	0
Car Parking Income	903	711
Training support funding	0	663
Pharmacy Sales	433	652
Accommodation Charges	324	379
VAT Audit Claim	801	405
Sterile Services Sales	39	39
Covid Antibody Tests	0	230
Non-Contract Income:		
Receipt of capital grants and donations		
Northamptonshire Health Charity	229	238
DHSC for Covid Response	0	403
Salix	10,747	0
Charitable and other contributions to expenditure		
Northamptonshire Health Charity	264	376
DHSC for Covid Response - Equipment	0	3
DHSC for Covid Response - Consumables (PPE)	855	1,122

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	2,536	3,085
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	0	0

Note 5.2 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2022/23	2021/22
	£000	£000
Income	1,722	1,504
Full cost	(1,647)	(1,185)
Surplus / (deficit)	**75**	**319**

Services include Catering and Car Parking.

Note 6 Operating leases - Northampton General Hospital NHS Trust as lessor

This note discloses income generated in operating lease agreements where Northampton General Hospital NHS 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.

An optician's shop and Boot's chemist operate on the Trust's site under operating leases.

Note 6.1 Operating lease income

	2022/23	2021/22
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	19	19
Variable lease receipts / contingent rents	25	22
Other	0	0
Total in-year operating lease income	**44**	**41**

Note 6.2 Future lease receipts

	31 March 2023
	£000
Future minimum lease receipts due at 31 March 2023:	
- not later than one year	19
- later than one year and not later than two years	0
- later than two years and not later than three years	0
- later than three years and not later than four years	0
- later than four years and not later than five years	0
- later than five years	0
Total	**19**

	31 March 2022
	£000
Future minimum lease receipts due at 31 March 2022:	
- not later than one year;	19
- later than one year and not later than five years;	0
- later than five years.	0
Total	**19**

Note 7.1 Operating expenses

	2022/23	2021/22
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	37	133
Purchase of healthcare from non-NHS and non-DHSC bodies	674	534
Staff and executive directors costs*	344,236	317,282
Remuneration of non-executive directors	123	120
Supplies and services - clinical (excluding drugs costs)	41,793	38,791
Supplies and services - general	4,288	3,643
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	36,620	34,480
Inventories written down	79	100
Establishment	3,807	3,313
Premises	17,307	20,710
Transport (including patient travel)	632	419
Depreciation on property, plant and equipment and right of use assets	14,286	11,022
Amortisation on intangible assets	1,680	1,000
Net impairments	(3,356)	2,096
Movement in credit loss allowance: contract receivables / contract assets	582	661
Change in provisions discount rate(s)	(24)	3
Fees payable to the external auditor		
audit services- statutory audit	107	85
additional fee for prior year audit	18	25
other auditor remuneration (external auditor only)	0	0
Internal audit costs	92	123
Clinical negligence	11,495	12,006
Legal fees	1,727	873
Insurance	177	240
Research and development	24	0
Education and training	2,505	2,756
Expenditure on short term leases (current year only)	40	0
Expenditure on low value leases (current year only)	58	0
Variable lease payments not included in the liability (current year only)	0	0
Operating lease expenditure (comparative only)	0	1,347
Early retirements	0	0
Redundancy	0	0
Car parking & security	461	267
Hospitality	3	9
Losses, ex gratia & special payments	0	0
Other services e.g. external payroll	1,590	1,511
Other	5,387	5,005
Total	**486,448**	**458,554**
Of which:		
Related to continuing operations	486,448	458,554
Related to discontinued operations	0	0

Other expenditure includes:	2022/23	2021/22
	£000	£000
Professional Fees & Services including Virtual Ward in the Community	3,357	3,783
Translation Services	299	185
Home Oxygen Service	310	242
Professional Subscriptions	414	322

*Includes £10,280k (£0k in 2021/22) Agenda for change pay award. Please see note 3.1 for further details.

Note 7.2 Other auditor remuneration

	2022/23	2021/22
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	0	0
3. Taxation compliance services	0	0
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total	**0**	**0**

Note 7.3 Limitation on auditor's liability

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

Note 8 Impairment of assets

	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	(198)	(594)
Over specification of assets	0	0
Abandonment of assets in course of construction	0	0
Unforeseen obsolescence	0	0
Loss as a result of catastrophe	0	0
Changes in market price	(3,158)	2,690
Other	0	0
Total net impairments charged to operating surplus / deficit	**(3,356)**	**2,096**
Impairments charged to the revaluation reserve	102	54
Total net impairments	**(3,254)**	**2,150**

The Trust has reassessed the impairment value arising from a revised use of the Electronic Patient Record System and on that basis made a write back adjustment of £198k, in relation to the original impairment charge of £1,651k in 2020/21.

The annual desktop revaluation exercise was completed by the valuation company, Gerald Eve LLP, as at 31 March 2023. This resulted in an increase in site valuation of £13,025k, split as:
- £9,867k increase to the Revaluation Reserve
- £3,158k decrease of the Impairment balance

The Land value has fallen in 2022/23 by £901k. This is due to a fall in industrial land values across the UK market, this is caused by the Autumn interest rate shocks, rises in the development finance rates that followed, inflationary increases in build costs and reducing gross development values. As a result the land value at Northampton is back to the 2021 valuation of £450k per acre, rather than the £500k per acre values of 2022, a fall of -10%.

However there has been an increase in the existing buildings of 6.1%, primarily driven by increases in build costs. Gerald Eve LLP have rebased all the cost categories to the current BCIS benchmark cost, rather than simply indexing forward last year's figures by the locationally average tender price index, overall on its own this caused a slightly higher increase as healthcare build costs increased above TPI inflation.

Note 9 Employee benefits

	2022/23 Total £000	2021/22 Total £000
Salaries and wages*	252,208	234,059
Social security costs**	27,299	24,685
Apprenticeship levy	1,260	1,165
Employer's contributions to NHS pensions***	36,377	34,908
Pension cost - other	93	94
Temporary staff (including agency)	27,751	23,220
Total gross staff costs	**344,988**	**318,131**
Recoveries in respect of seconded staff	0	0
Total staff costs	**344,988**	**318,131**
Of which		
Costs capitalised as part of assets	752	849

* Included in the above is £8,995k (£0k in 2021/22) Agenda for change pay award. Please see note 3.1 for further details.

** Included in the above is £1,241k (£0k in 2021/22) Agenda for change pay award

*** Included in the above is £11,107k (£10,640k in 2021/22) relating to the recent revaluation of public sector pensions schemes amounting to 6.3% (increase from 14.38% to 20.68%) in the employer contribution rate. In line with DHSC guidance, the Trust contributed 14.38% and the balance of 6.3% was paid on its behalf by DHSC. However the full cost of 20.68% is included on a gross basis in the accounts as entities are required to account for this as notional funding.

Note 9.1 Retirements due to ill-health

During 2022/23 there were 2 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £45k (£225k 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 at 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.

National Employment Savings Trust (NEST)

The National Employment Savings Trust (NEST) Corporation is the Trustee of the NEST occupational pension scheme. The scheme, which is run on a not-for-profit basis, ensures that all employers have access to suitable, low-charge pension provision. The Trust is required to comply with workplace pension legislation and to auto enrol employees into a pension scheme. Where employees are ineligible to join the NHS Pension Scheme the Trust enrols the employee into NEST. NEST is a defined contribution scheme
As 31 March 2023, 382 employees were enrolled in this scheme, 39% of which paid a monthly contribution.

Note 11 Finance income

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

	2022/23	2021/22
	£000	£000
Interest on bank accounts	667	14
Total finance income	**667**	**14**

Note 12.1 Finance expenditure

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 lease obligations	363	326
Interest on late payment of commercial debt	1	1
Total interest expense	**364**	**327**
Unwinding of discount on provisions	9	4
Other finance costs	7	10
Total finance costs	**380**	**341**

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2022/23	2021/22
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	0	1
Amounts included within interest payable arising from claims made under this legislation	1	1
Compensation paid to cover debt recovery costs under this legislation	0	0

Note 13 Other gains / (losses)

	2022/23	2021/22
	£000	£000
Gains on disposal of assets	9	4
Losses on disposal of assets	0	0
Total gains / (losses) on disposal of assets	**9**	**4**

Note 14.1 Intangible assets - 2022/23

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2022 - brought forward	**12,698**	**345**	**3,823**	**16,866**
Additions	1,923	0	1,472	**3,395**
Reclassifications	2,823	0	(2,823)	**0**
Disposals / derecognition	0	0	0	**0**
Valuation / gross cost at 31 March 2023	**17,444**	**345**	**2,472**	**20,261**
Amortisation at 1 April 2022 - brought forward	**8,872**	**345**	**0**	**9,217**
Provided during the year	1,680	0	0	**1,680**
Disposals / derecognition	0	0	0	**0**
Amortisation at 31 March 2023	**10,552**	**345**	**0**	**10,897**
Net book value at 31 March 2023	**6,892**	**0**	**2,472**	**9,364**
Net book value at 1 April 2022	**3,826**	**0**	**3,823**	**7,649**

Note 14.2 Intangible assets - 2021/22

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2021 - as previously stated	**10,493**	**345**	**845**	**11,683**
Additions	1,846	0	3,896	**5,742**
Reclassifications	918	0	(918)	**0**
Disposals / derecognition	(559)	0	0	**(559)**
Valuation / gross cost at 31 March 2022	**12,698**	**345**	**3,823**	**16,866**
Amortisation at 1 April 2021 - as previously stated	**8,431**	**345**	**0**	**8,776**
Provided during the year	1,000	0	0	**1,000**
Disposals / derecognition	(559)	0	0	**(559)**
Amortisation at 31 March 2022	**8,872**	**345**	**0**	**9,217**
Net book value at 31 March 2022	**3,826**	**0**	**3,823**	**7,649**
Net book value at 1 April 2021	**2,062**	**0**	**845**	**2,907**

Note 15.1 Property, plant and equipment - 2022/23

	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	**8,738**	**164,836**	**400**	**80**	**52,947**	**142**	**24,606**	**157**	**251,906**
IFRS 16 implementation - reclassification of existing finance leased assets to right of use assets	0	(13,326)	0	0	0	0	0	0	**(13,326)**
Additions	0	6,077	0	9,715	8,461	0	864	0	**25,117**
Impairments	(901)	(260)	0	0	0	0	0	0	**(1,161)**
Reversals of impairments	0	4,217	0	0	0	0	198	0	**4,415**
Revaluations	0	3,279	(38)	0	0	0	0	0	**3,241**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Disposals / derecognition	0	0	0	0	(1,750)	0	(2,494)	0	**(4,244)**
Valuation/gross cost at 31 March 2023	**7,837**	**164,823**	**362**	**9,795**	**59,658**	**142**	**23,174**	**157**	**265,948**
Accumulated depreciation at 1 April 2022 - brought forward	**0**	**55**	**0**	**0**	**35,550**	**86**	**15,354**	**157**	**51,202**
IFRS 16 implementation - reclassification of existing finance leased assets to right of use assets	0	0	0	0	0	0	0	0	**0**
Provided during the year	0	5,118	38	0	4,088	13	2,998	0	**12,255**
Impairments	0	0	0	0	0	0	0	0	**0**
Reversals of impairments	0	0	0	0	0	0	0	0	**0**
Revaluations	0	(5,111)	(38)	0	0	0	0	0	**(5,149)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Disposals / derecognition	0	0	0	0	(1,750)	0	(2,494)	0	**(4,244)**
Accumulated depreciation at 31 March 2023	**0**	**62**	**0**	**0**	**37,888**	**99**	**15,858**	**157**	**54,064**
Net book value at 31 March 2023	**7,837**	**164,761**	**362**	**9,795**	**21,770**	**43**	**7,316**	**0**	**211,884**
Net book value at 1 April 2022	**8,738**	**164,781**	**400**	**80**	**17,397**	**56**	**9,252**	**0**	**200,704**

Note 15.2 Property, plant and equipment - 2021/22

	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	**8,698**	**143,952**	**436**	**11,845**	**47,758**	**142**	**20,632**	**157**	**233,620**
Additions	0	4,227	0	7,313	5,707	0	5,072	0	**22,319**
Impairments	0	(4,298)	0	0	0	0	0	0	**(4,298)**
Reversals of impairments	40	1,514	0	0	0	0	594	0	**2,148**
Revaluations	0	909	(36)	0	0	0	0	0	**873**
Reclassifications	0	18,532	0	(19,078)	546	0	0	0	**0**
Disposals / derecognition	0	0	0	0	(1,064)	0	(1,692)	0	**(2,756)**
Valuation/gross cost at 31 March 2022	**8,738**	**164,836**	**400**	**80**	**52,947**	**142**	**24,606**	**157**	**251,906**
Accumulated depreciation at 1 April 2021 - as previously stated	**0**	**48**	**0**	**0**	**33,140**	**72**	**14,489**	**157**	**47,906**
Provided during the year	0	4,941	36	0	3,474	14	2,557	0	**11,022**
Impairments	0	0	0	0	0	0	0	0	**0**
Reversals of impairments	0	0	0	0	0	0	0	0	**0**
Revaluations	0	(4,934)	(36)	0	0	0	0	0	**(4,970)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Disposals / derecognition	0	0	0	0	(1,064)	0	(1,692)	0	**(2,756)**
Accumulated depreciation at 31 March 2022	**0**	**55**	**0**	**0**	**35,550**	**86**	**15,354**	**157**	**51,202**
Net book value at 31 March 2022	**8,738**	**164,781**	**400**	**80**	**17,397**	**56**	**9,252**	**0**	**200,704**
Net book value at 1 April 2021	**8,698**	**143,904**	**436**	**11,845**	**14,618**	**70**	**6,143**	**0**	**185,714**

›perty, plant and equipment financing - 31 March 2023

	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
·chased	7,837	156,416	362	1,137	20,544	32	7,304	0	**193,632**
ıated/granted	0	8,345	0	8,658	1,226	11	12	0	**18,252**
k value at 31 March 2023	**7,837**	**164,761**	**362**	**9,795**	**21,770**	**43**	**7,316**	**0**	**211,884**

›perty, plant and equipment financing - 31 March 2022

	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
·chased	8,738	145,502	400	75	16,375	43	9,231	0	**180,364**
sed	0	12,371	0	0	0	0	0	0	**12,371**
ıated/granted	0	6,908	0	5	1,022	13	21	0	**7,969**
k value at 31 March 2022	**8,738**	**164,781**	**400**	**80**	**17,397**	**56**	**9,252**	**0**	**200,704**

›perty plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

	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
n operating lease	0	213	0	0	0	0	0	0	**213**
to an operating lease	7,837	164,548	362	9,795	21,770	43	7,316	0	**211,671**
k value at 31 March 2023	**7,837**	**164,761**	**362**	**9,795**	**21,770**	**43**	**7,316**	**0**	**211,884**

Note 16.1 Donations of property, plant and equipment

The table below details donations of plant and equipment received during 22/23 from Northamptonshire Health Charitable Funds.

Description	Department	2022/23 £000
Equipment		
Ultrasound Philips Epiq CVx	Cardiology	101
Airseal IFS (Intelligent Flow system)	Theatres	25
Operating Table to work with DaVinci Surgical Robot	Theatres	85
Bladder Scanner	Radiotherapy	7
Safespace Cot	Child Health	11
Total Donated Assets		**229**

Note 16.2 Granted Assets

Below details the category of asset additions, which are included in Note 15.1 which are funded by the Salix Grant for the Public Sector Decarbonisation Scheme (PSDS).

Description	2022/23 £000
Buildings	1,817
Assets Under Construction	8,654
Plant & Machinery	276
Total Granted Assets	**10,747**

Note 17 Revaluations of property, plant and equipment

Valuation company Gerald Eve LLP carried out an updated valuation as at 31st March 2023, to the 5 yearly valuation that they carried out at 31st March 2020. The valuations have been prepared to comply with IFRS, specifically with regard to IAS 16 Property Plant and Equipment, IAS40 Investment Properties.

As per the definitions in the current standard the Trust's property is identified as 'specialised property' and therefore valued on a Depreciated Replacement Cost (DRC) method.

Land values fell to £450k per acre.

Buildings increased by £14,037k , therefore an overall increase in site value of £13,136k.

This has been funded by an increase in the Revaluation Reserve of £9,978k and a decrease in the Impairment balance of £4,059k

Asset Type	Total Adjustment £000s	Revaluation Adjustment £000s	Impairment Adjustment £000s
Land	(901)	0	(901)
Building	14,037	9,978	4,059
Total Revaluation	**13,136**	**9,978**	**3,158**
Equipment Historic Cost adjustment	(111)	(111)	0
Digital	198	0	198
Total Adjustment	**13,223**	**9,867**	**3,356**

There is also a historic cost charge of £111k taken to the Revaluation Reserve for equipment, this is the adjustment made to write down the indexation that has been applied to equipment in previous years. Plus the £198k reassessment made of the Electronic Patient Record System.

The Gross carrying amount of fully depreciated assets still in use for plant and equipment is £32,836k (£32,572k in 21/22) and for intangible assets it is £8,001k (£7,562k in 21/22).

Note 18 Leases - Northampton General Hospital NHS Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust leases buildings for the provision of clinical services. The Trust leases medical and non-medical equipment and vehicles.

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 18.1 Right of use assets - 2022/23

	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £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	13,326	0	0	**13,326**	0
IFRS 16 implementation - adjustments for existing operating leases / subleases	5,518	3,952	93	**9,563**	1,972
Additions	127	43	0	**170**	0
Remeasurements of the lease liability	0	0	0	**0**	0
Movements in provisions for restoration / removal costs	0	0	0	**0**	0
Impairments	0	0	0	**0**	0
Reversal of impairments	0	0	0	**0**	0
Revaluations	1,318	0	0	**1,318**	0
Reclassifications	0	0	0	**0**	0
Disposals / derecognition	0	0	0	**0**	0
Valuation/gross cost at 31 March 2023	**20,289**	**3,995**	**93**	**24,377**	**1,972**
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	0	0	0	**0**	0
IFRS 16 implementation - adjustments for existing subleases	0	0	0	**0**	0
Provided during the year	850	1,135	46	**2,031**	394
Impairments	0	0	0	**0**	0
Reversal of impairments	0	0	0	**0**	0
Revaluations	(372)	0	0	**(372)**	0
Reclassifications	0	0	0	**0**	0
Disposals / derecognition	0	0	0	**0**	0
Accumulated depreciation at 31 March 2023	**478**	**1,135**	**46**	**1,659**	**394**
Net book value at 31 March 2023	**19,811**	**2,860**	**47**	**22,718**	**1,578**
Net book value of right of use assets leased from other NHS providers					0
Net book value of right of use assets leased from other DHSC group bodies					1,578

Note 18.2 Revaluations of right of use assets

Included within Note 17. Revaluation of PPE is £1,691k which is relevant to right of use assets.

	2022/23
Right of Use Assets	**£000**
Nye Bevan	1,414
Car Park	178
South Entrance - Communal Area	99
Total Revaluation	**1,691**

Note 18.3 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 25.1.

	2022/23
	£000
Carrying value at 31 March 2022	**8,323**
IFRS 16 implementation - adjustments for existing operating leases	9,564
Lease additions	170
Lease liability remeasurements	0
Interest charge arising in year	363
Early terminations	0
Lease payments (cash outflows)	(3,227)
Other changes	0
Carrying value at 31 March 2023	**15,193**

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 18.4 Maturity analysis of future lease payments at 31 March 2023

	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000
Undiscounted future lease payments payable in:		
- not later than one year;	2,809	403
- later than one year and not later than five years;	8,772	1,210
- later than five years.	5,319	0
Total gross future lease payments	**16,900**	**1,613**
Finance charges allocated to future periods	(1,707)	(28)
Net lease liabilities at 31 March 2023	**15,193**	**1,585**
Of which:		
Leased from other NHS providers		0
Leased from other DHSC group bodies		1,585

Note 18.5 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.

	31 March 2022
	£000
Undiscounted future lease payments payable in:	
- not later than one year;	1,254
- later than one year and not later than five years;	5,265
- later than five years.	1,804
Total gross future lease payments	**8,323**
Finance charges allocated to future periods	0
Net finance lease liabilities at 31 March 2022	**8,323**
of which payable:	
- not later than one year;	1,254
- later than one year and not later than five years;	5,265
- later than five years.	1,804
Total of future minimum sublease payments to be received at the reporting date	0

Note 18.6 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.

	2021/22
	£000
Operating lease expense	
Minimum lease payments	1,347
Contingent rents	0
Less sublease payments received	0
Total	**1,347**

	31 March 2022
	£000
Future minimum lease payments due:	
- not later than one year;	1,174
- later than one year and not later than five years;	2,743
- later than five years.	4,838
Total	**8,755**
Future minimum sublease payments to be received	0

Note 18.8 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 12.

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

	1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**8,755**
Impact of discounting at the incremental borrowing rate	
IAS 17 operating lease commitment discounted at incremental borrowing rate	**7,155**
Less:	
Commitments for short term leases	(29)
Commitments for leases of low value assets	(154)
Commitments for leases that had not commenced as at 31 March 2022	0
Irrecoverable VAT previously included in IAS 17 commitment	(552)
Services included in IAS 17 commitment not included in the IFRS 16 liability	0
Other adjustments:	
Differences in the assessment of the lease term	109
Public sector leases without full documentation previously excluded from operating lease commitments	0
Variable lease payments based on an index or rate	0
Rent increases/(decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	0
Amounts payable under residual value guarantees	0
Termination penalties not previously included in commitment	0
Finance lease liabilities under IAS 17 as at 31 March 2022	8,323
Other adjustments	3,035
Total lease liabilities under IFRS 16 as at 1 April 2022	**17,887**

Note 19 Inventories

	31 March 2023	31 March 2022
	£000	£000
Drugs	2,275	2,078
Consumables*	4,436	4,557
Energy	12	28
Total inventories	**6,723**	**6,663**
of which:		
Held at fair value less costs to sell	0	0

* includes £45k (2021/22: £50k) Department of Health and Social Care centrally procured personal protective equipment

Inventories recognised in expenses for the year were £67,548k (2021/22: £61,331k). Write-down of inventories recognised as expenses for the year were £79k (2021/22: £100k).

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 £855k of items purchased by DHSC (2021/22: £1,122k).

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 20.2 Allowances for credit losses

	2022/23		2021/22	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**1,304**	**0**	**1,204**	**0**
New allowances arising	582	0	661	0
Utilisation of allowances (write offs)	(551)	0	(561)	0
Allowances as at 31 Mar 2023	**1,335**	**0**	**1,304**	**0**

Note 20.2 Allowances for credit losses

	2022/23		2021/22	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**1,304**	**0**	**1,204**	**0**
New allowances arising	582	0	661	0
Utilisation of allowances (write offs)	(551)	0	(561)	0
Allowances as at 31 Mar 2023	**1,335**	**0**	**1,304**	**0**

Note 21 Finance leases (Northampton General Hospital NHS Trust as a lessor)

This note discloses future lease payments receivable from lease arrangements classified as finance leases where the Northampton General Hospital NHS Trust is the lessor.

Northampton General Hospital NHS Trust has a lease arrangement with NHS Property Services for Battle House. Northamptonshire Healthcare NHS Foundation Trust occupies the building.

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 Reconciliation of the carrying value of finance lease receivables (net investment in the lease)

	2022/23
	£000
Finance lease receivables at 31 March 2022	**171**
IFRS 16 implementation - adjustments for existing subleases	0
Additions	0
Interest arising (unwinding of discount)	0
Remeasurements of lease receivables	0
Lease receipts (cash payments received)	(6)
Derecognition due to early termination	0
Finance lease receivables at 31 March 2023	**165**

Note 21.2 Finance lease receivables maturity analysis as at 31 March 2023

	Total	Of which leased to DHSC group bodies:
	31 March 2023	31 March 2023
	£000	£000
Undiscounted future lease receipts receivable in:		
- not later than one year;	9	9
- later than one year and not later than two years;	9	9
- later than two years and not later than three years;	9	9
- later than three years and not later than four years;	9	9
- later than four years and not later than five years;	9	9
- later than five years.	120	120
Total future finance lease payments to be received	**165**	**165**
Estimated value of unguaranteed residual interest	0	0
Unearned interest income	0	0
Allowance for uncollectable lease payments	0	0
Net investment in lease (net lease receivable)	**165**	**165**
of which		
Leased to other NHS providers		0
Leased to other DHSC group bodies		165

Note 21.3 Finance lease receivables as at 31 March 2022 (IAS 17 basis)

	31 March 2022
Undiscounted future lease receipts receivable in:	**£000**
- not later than one year;	9
- later than one year and not later than five years;	36
- later than five years.	126
Total future finance lease payments to be received	**171**
Unearned interest income	0
Allowance for uncollectable lease payments	0
Net investment in lease (net lease receivable)	**171**
of which those receivable in:	
- not later than one year;	9
- later than one year and not later than five years;	36
- later than five years.	126
The unguaranteed residual value accruing to the lessor	0
Contingent rents recognised as income in the period	0

Note 22.1 Cash and cash equivalents movements

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

	2022/23	2021/22
	£000	£000
At 1 April	**10,063**	**25,428**
Net change in year	(8,226)	(15,365)
At 31 March	**1,837**	**10,063**
Broken down into:		
Cash at commercial banks and in hand	13	20
Cash with the Government Banking Service	1,824	10,043
Total cash and cash equivalents as in SoFP	**1,837**	**10,063**
Total cash and cash equivalents as in SoCF	**1,837**	**10,063**

Note 22.2 Third party assets held by the trust

Northampton General Hospital NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2023	31 March 2022
	£000	£000
Bank balances	0	0
Monies on deposit	0	0
Total third party assets	**0**	**0**

Note 23.1 Trade and other payables

	31 March 2023 £000	31 March 2022 £000
Current		
Trade payables	5,461	2,792
Capital payables	6,638	2,514
Accruals*	27,177	16,456
Social security costs	7,015	928
PDC dividend payable	45	156
Pension contributions payable	3,496	3,341
Other payables	411	347
Total current trade and other payables	**50,243**	**26,534**
Non-current		
Trade payables	0	0
Capital payables	0	0
Accruals	0	0
Other payables	0	0
Total non-current trade and other payables	**0**	**0**
Of which payables from NHS and DHSC group bodies:		
Current	2,036	1,306
Non-current	0	0

*Accruals includes £10,280k Agenda for change pay award (2021/22 - Nil)

Note 23.2 Early retirements in NHS payables above

There were no early retirements included in the payables note above (2021/22 - Nil)

Note 24 Other liabilities

	31 March 2023 £000	31 March 2022 £000
Current		
Deferred income: contract liabilities	2,758	3,562
Total other current liabilities	**2,758**	**3,562**
Non-current		
Deferred income: contract liabilities	0	0
Total other non-current liabilities	**0**	**0**

Note 25.1 Borrowings

	31 March 2023 £000	31 March 2022 £000
Current		
Other loans - Salix	272	262
Lease liabilities*	1,434	1,254
Total current borrowings	**1,706**	**1,516**
Non-current		
Other loans - Salix	439	710
Lease liabilities*	13,759	7,069
Total non-current borrowings	**14,198**	**7,779**

* 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 18.

Other Loans - Salix

The Trust has taken advantage of participating in the Energy Efficiency Loan Scheme operated by Salix Finance Ltd.

The Trust has agreed 13 schemes since 2013/14, of which 8 have been fully repaid.

Each of the loans are subject to zero interest and the remaining outstanding loans are repayable over 5 years in equal instalments. Repayment commences 6 months after completion of the scheme.

Note 25.2 Reconciliation of liabilities arising from financing activities - 2022/23

	Other loans	Lease Liability	Total
	£000	£000	£000
Carrying value at 1 April 2022	**972**	**8,323**	**9,295**
Cash movements:			
Financing cash flows - payments and receipts of principal	(261)	(2,864)	**(3,125)**
Financing cash flows - payments of interest	0	(363)	**(363)**
Non-cash movements:			
Impact of implementing IFRS 16 on 1 April 2022	0	9,564	**9,564**
Additions	0	170	**170**
Application of effective interest rate	0	363	**363**
Carrying value at 31 March 2023	**711**	**15,193**	**15,904**

Note 25.3 Reconciliation of liabilities arising from financing activities - 2021/22

	Other loans	Lease Liability	Total
	£000	£000	£000
Carrying value at 1 April 2021	**1,010**	**9,529**	**10,539**
Cash movements:			
Financing cash flows - payments and receipts of principal	(38)	(1,206)	**(1,244)**
Financing cash flows - payments of interest	0	(326)	**(326)**
Non-cash movements:			
Application of effective interest rate	0	326	**326**
Carrying value at 31 March 2022	**972**	**8,323**	**9,295**

Note 26.1 Provisions for liabilities and charges analysis

	Pensions: injury benefits	2019/20 Clinicians' Pension Re-imbursement	Other	Total
	£000	£000	£000	£000
At 1 April 2022	**167**	**985**	**3,056**	**4,208**
Change in the discount rate	(24)	(695)	0	**(719)**
Arising during the year	0	507	918	**1,425**
Utilised during the year	(15)	(23)	(909)	**(947)**
Reversed unused	0	0	(881)	**(881)**
Unwinding of discount	9	16	0	**25**
At 31 March 2023	**137**	**790**	**2,184**	**3,111**
Expected timing of cash flows:				
- not later than one year;	15	24	1,045	**1,084**
- later than one year and not later than five years;	62	43	1,139	**1,244**
- later than five years.	60	723	0	**783**
Total	**137**	**790**	**2,184**	**3,111**

Pensions: injury benefits provisions are based on expected lives and current levels of payment.

Clinician pension tax reimbursement

Clinicians who are members of the NHS Pension Scheme and face an annual allowance tax charge for work undertaken in 2019/20 can elect to have this charge paid by the NHS Pension Scheme. The employing trust will make a contractually binding commitment to pay a corresponding compensated amount on retirement, therefore the provider has a future obligation upon the individual's retirement.

NHS England have provided Trust's with an updated calculation for provision liabilities arising from the 2019/20 clinicians' pensions compensation scheme based on the latest available information on actual uptake of the scheme. The values 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 each Trust.

This payment will be nationally funded therefore the provision recognised is matched with a receivable from NHS England (Note 20.1).

Other Provisions

Other Provisions relate to employment claims and asbestos management and removal costs.

Note 26.2 Clinical negligence liabilities

At 31 March 2023, £250,767k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Northampton General Hospital NHS Trust (31 March 2022: £301,652k).

Note 26.3 Financial Guarantee

During 2021/22 the Trust entered into a Financial Arrangement with Novinti and Compass for the Front Entrance and Retail Development. Under this Arrangement Compass has a 15 Year Lease with Novinti to occupy this Footprint. The Trust has step in rights under this arrangement should Compass default to the value of £283k per annum. This is considered a guarantee which would be accounted for under IFRS9 Financial Instruments. It is Trust Management's Assessment of Risk that the likelihood of this happening in the foreseeable future is minimal therefore the guarantee value disclosed is £nil.

Note 27 Contingent assets and liabilities

	31 March 2023 £000	31 March 2022 £000
Value of contingent liabilities		
NHS Resolution legal claims	0	0
Employment tribunal and other employee related litigation	0	0
Redundancy	0	0
Other	0	0
Gross value of contingent liabilities	**0**	**0**
Amounts recoverable against liabilities	0	0
Net value of contingent liabilities	**0**	**0**
Net value of contingent assets	**0**	**0**

Note 28 Contractual capital commitments

	31 March 2023 £000	31 March 2022 £000
Property, plant and equipment	2,090	783
Intangible assets	298	974
Total	**2,388**	**1,757**

Note 29 Financial instruments

Note 29.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Group are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health & Social Care (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust 's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2023 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust 's operating costs are incurred under contracts with primary care, Clinical Commissioning Groups, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 29.2 Carrying values of financial assets

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	25,935	**25,935**
Cash and cash equivalents	1,837	**1,837**
Total at 31 March 2023	**27,772**	**27,772**

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	10,001	**10,001**
Cash and cash equivalents	10,063	**10,063**
Total at 31 March 2022	**20,064**	**20,064**

Note 29.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Obligations under leases	15,193	**15,193**
Other borrowings	711	**711**
Trade and other payables excluding non financial liabilities	43,183	**43,183**
Total at 31 March 2023	**59,087**	**59,087**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Obligations under leases	8,323	**8,323**
Other borrowings	972	**972**
Trade and other payables excluding non financial liabilities	25,450	**25,450**
Total at 31 March 2022	**34,745**	**34,745**

Note 29.4 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.

	31 March 2023 £000	31 March 2022 £000
In one year or less	46,263	26,966
In more than one year but not more than five years	9,212	5,975
In more than five years	5,319	1,804
Total	**60,794**	**34,745**

Note 29.5 Fair values of financial assets and liabilities

The Trust holds no financial assets and liabilities on a fair value basis.

Note 30 Losses and special payments

	2022/23		2021/22	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	5	4	9	6
Bad debts and claims abandoned	195	485	242	437
Total losses	**200**	**489**	**251**	**443**
Special payments				
Compensation under court order or legally binding arbitration award	0	0	0	0
Extra-contractual payments	0	0	0	0
Ex-gratia payments	49	528	48	484
Special severance payments	0	0	1	20
Extra-statutory and extra-regulatory payments	0	0	0	0
Total special payments	**49**	**528**	**49**	**504**
Total losses and special payments	**249**	**1,017**	**300**	**947**
Compensation payments received				

Ex-gratia payments in 2022/23 include financial hardship payments made by the Trust to Band 1 -3 substantive staff of £402k. 1,915 employees received a one-off payment of £250 (prorata'd for part-time staff) in November/December 2022. This is counted as a single case in the disclosure.

Ex-gratia payments in 2021/22 include overtime corrective payments made by the Trust in respect of the "Flowers" case of £337k. This is counted as a single case in the disclosure.

Note 31 Related parties

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Northampton General Hospital NHS Trust.

The Department of Health & Social Care is regarded as a related party. During the year Northampton General Hospital NHS 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.

These entities include :

Health Education England, NHS England, Northamptonshire and Milton Keynes Clinical Commissioning Groups, Northamptonshire and Bedfordshire, Luton and Milton Keynes Integrated Care Boards, Northamptonshire Healthcare NHS Foundation Trust, Kettering General Hospital Foundation Trust, University Hospitals of Leicester NHS Trust, Oxford University Hospitals Foundation Trust, NHS Resolution and NHS Blood and Transplant.

Group Transactions with Kettering General Hospital Foundation Trust were £3.4m for Total Income and £2.8m for Total Expenditure.

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with West Northamptonshire Council (Business Rates and Pathology Services) and HM Revenue & Customs (Employers National Insurance contribution), National Health Service Pension Fund Scheme and NHS Business Services Authority.

The Trust has also received revenue and capital payments from Northamptonshire Health Charity.

Grants which were received from the Charity have been treated in the Trust's Accounts as income and have primarily contributed towards staff and patients welfare. The Charity also funded Building Works & Medical Equipment.

The Charity owns Springfield House, part of which is being leased to the Trust. The facility is being utilised to provide a GP streaming service. The Trust pays an annual lease charge and also facilities costs.

Note 32 Events after the reporting date

There are no material events after the reporting date of 31 March 2023 which effect the financial position.

Note 33 Better Payment Practice code

Non-NHS Payables	2022/23 Number	2022/23 £000	2021/22 Number	2021/22 £000
Total non-NHS trade invoices paid in the year	71,724	168,299	69,524	164,992
Total non-NHS trade invoices paid within target	66,773	159,088	68,307	162,600
Percentage of non-NHS trade invoices paid within target	93.1%	94.5%	98.2%	98.6%
NHS Payables				
Total NHS trade invoices paid in the year	1,473	28,791	1,640	25,176
Total NHS trade invoices paid within target	1,405	28,547	1,614	25,072
Percentage of NHS trade invoices paid within target	95.4%	99.2%	98.4%	99.6%

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

Note 34 External financing limit

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

	2022/23 £000	2021/22 £000
Cash flow financing	9,889	23,001
Leases taken out in year (finance leases in prior year)	0	0
Other capital receipts	0	0
External financing requirement	**9,889**	**23,001**
External financing limit (EFL)	10,088	23,001
Under / (over) spend against EFL	**199**	**0**

Note 35 Capital Resource Limit

	2022/23 £000	2021/22 £000
Gross capital expenditure	28,682	28,061
Less: Disposals	0	0
Less: Donated and granted capital additions	(10,976)	(641)
Plus: Loss on disposal from capital grants in kind	0	0
Charge against Capital Resource Limit	**17,706**	**27,420**
Capital Resource Limit	17,992	27,420
Under / (over) spend against CRL	**286**	**0**

Note 36 Breakeven duty financial performance

	2022/23 £000
Adjusted financial performance surplus / (deficit) (control total basis)	(15,227)
Remove impairments scoring to Departmental Expenditure Limit	(198)
Add back non-cash element of On-SoFP pension scheme charges	0
IFRIC 12 breakeven adjustment	0
Breakeven duty financial performance surplus / (deficit)	**(15,425)**

Note 37 Breakeven duty rolling assessment

The application of breakeven duty means that if a cumulative surplus or deficit is reported (greater than a materiality threshold of 0.5% of operating income), it should be recovered within the subsequent four financial years.

	1997/98 to 2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Breakeven duty in-year financial performance		2,081	1,109	504	399	197	(16,525)	(20,151)
Breakeven duty cumulative position	2,892	4,973	6,082	6,586	6,985	7,182	(9,343)	(29,494)
Operating income		227,805	236,260	255,481	271,295	276,894	270,358	273,562
Cumulative breakeven position as a percentage of operating income		2.2%	2.6%	2.6%	2.6%	2.6%	(3.5%)	(10.8%)

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Breakeven duty in-year financial performance	(13,847)	(23,339)	(14,432)	(19,055)	2,789	(217)	(15,425)
Breakeven duty cumulative position	(43,341)	(66,680)	(81,112)	(100,167)	(97,378)	(97,595)	(113,020)
Operating income	298,240	304,760	326,571	359,129	430,786	461,833	490,190
Cumulative breakeven position as a percentage of operating income	(14.5%)	(21.9%)	(24.8%)	(27.9%)	(22.6%)	(21.1%)	(23.1%)

NHS

Northampton General Hospital

NHS Trust

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NHS Group

September 2023