NHS
University Hospitals Sussex
NHS Foundation Trust

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Annual Report and Accounts 2022 / 23

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

University Hospitals Sussex NHS Foundation Trust

Annual Report 2022-23

1. Performance Report

The purpose of this section of the Annual Report is to provide a summary of the purpose and activities of University Hospitals Sussex NHS Foundation Trust the Trust's priorities and objectives for 2022/2023, the key risks to achieving these objectives and how we have performed in relation to these during the year.

1.1 Welcome from the Chairman and Chief Executive

1 April 2022 to 31 March 2023 was our second full year as University Hospitals NHS Foundation Trust and one in which we took huge stride forwards as one Trust, working together for all our patients. The year was characterised by significant achievements, investments, and integration, as well as unprecedented challenges, ongoing pandemic pressures and the impact of industrial action.

In the past 12 months we have laid strong foundations and implemented many organisational changes that give us a real sense of optimism for the years to come. Importantly, the improvements we have made in 2022/23 all support the fulfilment of our Patient First shared ambition and vision to provide *excellent care, every time*.

Last summer, we refreshed our Patient First improvement strategy to focus on the priorities we know will make the most meaningful difference to our patients. We agreed our new Clinical and Corporate Operating Models to get the best out of our new organisation. And we recruited highly skilled and experienced leaders we need from both within and outside of our Trust to see our hospitals thrive and improve.

This means that the fundamentals are now in place to enable us to make swift progress and continually improve the care and quality of services our patients experience and should expect from UHSussex.

In 2022/23, we invested millions of pounds to modernise our hospitals. The most high-profile of these is our new Louisa Martindale Building at the Royal Sussex County Hospital in Brighton. At the time of writing, LMB is undergoing the final stages of commissioning and cleaning before more than 30 wards and departments move into their new home.

In the past year, we have also made huge investments at all our main hospital sites in Sussex. For example, a new Community Diagnostics Centre at Southlands Hospital in Shoreham-by-Sea is nearing completion. At St Richard's Hospital in Chichester, we invested £7 million in the Laundry Department to develop one of the most advanced and environmentally sustainable facilities in the NHS.

In Worthing Hospital, a £7 million redevelopment of the Medical Day Case Unit was reopened as The Amberley Unit, our new home to chemotherapy and medical day services for cancer patients. And at Princess Royal, a new

£8 million Urology Investigation and Treatment Centre (UITC) is taking shape and, once open later this year, will double capacity for the service in Haywards Heath.

A year of challenges

2022/23 proved a challenging year for all NHS organisations and we were no exception. Seasonal pressures continued from Winter 2022 straight through the Summer, with high demand for urgent care, continuing Covid cases, and difficulties discharging medically fit patients to more appropriate care settings meaning escalation beds remained open, staffing was often stretched and, operationally, we had to enact Business Continuity Incidents to keep patients safe while our hospitals were at maximum capacity.

These prevailing conditions led many to anticipate that the winter would be one of the toughest ever for the NHS. Unfortunately, an early onset of winter pressures and high incidence of flu, Covid and Strep A infections all peaking at the same time, meant the winter even exceeded the most pessimistic of expectations.

The whole year was extremely challenging for our staff, and we wish to put on record our immense gratitude for the phenomenal job they have done in extraordinarily difficult circumstances. We owe a huge debt of gratitude for their stalwart commitment to our patients and the continued resilience they demonstrated in the face of such adversity.

Unprecedented industrial action also compounded difficulties. Striking is a last resort for health service workers and while pay and conditions are part of the dispute, it was clear that those taking action want better for their patients, as well as for their colleagues and themselves. While many colleagues did withdraw their labour, they never relinquished their concern for patients.

We are grateful for the support of our Sussex Health & Care System partners throughout the year, but especially during the winter months when new initiatives were launched, such as virtual wards, and more action taken to safely discharge patients from our hospitals who no longer needed acute medical care. Despite this, a fifth of our total bed numbers were frequently occupied by patients who were medically fit for discharge, which in turn often delayed admissions for new patients and led to unacceptable waiting times in our emergency departments.

Given all these pressures, our performance against the core NHS constitutional standards remained challenged throughout the year and we are acutely aware that many patients have been waiting too long to see us. We want to take this opportunity to apologise to all our patients and their families who have been affected by longer waits over the past year. We are very grateful for their patience and wish to reassure them that we have plans with the help of our system partners in place to improve waiting times.

Despite the relentless demands upon our staff, we are proud of the many improvements they did achieve during the year. From local team improvement huddles to Trust-wide corporate projects, our Patient First methodology has been consistently applied to deliver countless improvements for our patients. In many instances, these have been targeted at reducing waiting times for patients.

For example, in August 2022 we had almost 12,000 patients at risk of waiting more than 78 weeks by the end of the year to be seen following a referral from their GP. But, through a stead-fast, organisation-wide focus, we have made huge progress over the year and reduced this to less than 300 patients by 31 March 2023.

Our Patient First approach is predicated on the belief that local teams are best placed to both identify the problems they are facing and devise sustainable solutions. This is why we reinvigorated our Patient First Improvement System departmental training programme in 2022/23, started a Patient First leadership training programme and continued to equip hundreds of other colleagues with continuous improvement skills through specialist training. As a result, our UHSussex army of problem-solvers continues to grow, and they will be the champions who embed Patient First practice at every level of our Trust to ensure we are always improving.

Our staff are our most precious resource, and we are acutely aware of the toll these past years have had on everyone who works for the health service. Over the course of the year, we expanded our staff Health and Wellbeing programme to thank and support colleagues, as well as acknowledge and recognise everything they do for our patients, each other, and the Trust.

In 2022, the CQC (Care Quality Commission) visited our hospitals for several announced and unannounced inspections, including a ‘Well Led’ inspection in October. While we have many achievements to be proud of, we were clear with inspectors that we also have much more to do to consistently attain the high standards we set for ourselves and that our patients rightly expect.

In June 2022, we commissioned an external review to provide a clearer picture of where we stood as a newly formed trust, and to highlight both our strengths and our weaknesses. We proactively drew the CQC’s attention to all of the issues we identified, and these have now been reflected back to us in a new report published in May 2023.

The CQC report relates to seven inspections over an 18-month period. The Trust’s overall rating has been changed to Requires Improvement, while the ‘Well Led’ domain has been reduced to Inadequate. However, much has already changed since the CQC team was last with us over eight months ago, and that progress makes us confident for the future. UHSussex remains Outstanding for both the ‘Caring’ and ‘Effectiveness’ inspection domains.

Our staff continue to provide excellent care, day in, day out, for thousands of people, in difficult circumstances. While the CQC report is of course

disappointing, we must acknowledge that delivering NHS care at the moment is really tough, making improvements is tough, but we also know we have both the right plans and people in place to do just that.

Growing a new organisation and integrating two Trusts during a pandemic has added additional complexity for us, but UHSussex is now maturing swiftly as a new organisation and is now well placed to improve services for patients.

The coming year will not be without challenge, but we start it as a much more focused, integrated, and mature organisation *where better never stops.*

We hope you enjoy reading further details about UHSussex in this Annual Report 2022/23.

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Dr George Findlay
Chief Executive
28 June 2023

Alan McCarthy, MBE, DL
Chair
28 June 2023

1.2 About the Trust

University Hospitals Sussex NHS Foundation Trust (UHSussex) is one of the largest organisations in the NHS. We employ nearly 22,000 staff, serve a population of around 1.8 million people and have an annual operating budget of over £1.3 billion.

The Trust provides all district general hospital services for Brighton and Hove, West and Mid Sussex and parts of East Sussex. We also provide specialist services for patients from across the wider South East. These include:

- neuroscience,
- arterial vascular surgery,
- neonatology, and
- specialised paediatric, cardiac, cancer, renal, infectious disease and HIV medicine services.

The Trust runs seven hospitals in Brighton and West Sussex:

- Princess Royal Hospital in Haywards Heath
- Royal Alexandra Children's Hospital in Brighton
- Royal Sussex County Hospital in Brighton
- St Richard's Hospital in Chichester
- Southlands Hospital in Shoreham-by-Sea
- Sussex Eye Hospital in Brighton
- Worthing Hospital in Worthing

Our Royal Sussex County, Worthing, St Richard's and Princess Royal hospitals all have 24-hour accident and emergency units. Maternity services

are available at all four hospitals. The County is also our centre for major trauma and tertiary specialist services. We provide children's services at the Royal Alexandra, St Richard's and Worthing. Eye care is based at the Sussex Eye Hospital and at Southlands, which also specialises in day-case procedures, diagnostics and outpatient clinics.

We also provide services at GP surgeries, health clinics and other hospitals. These include:

- Bognor War Memorial Hospital,
- Brighton General Hospital,
- Crawley Hospital,
- Hove Polyclinic,
- Lewes Victoria Hospital,
- the Park Centre for Breast Care, and
- sexual health clinics across the county.

Our status as a university hospitals Trust is helping us develop as an academic centre. We offer high-quality medical teaching and contribute to cutting-edge research and innovation. To do this, we work closely with our partners at:

- the Brighton and Sussex Medical School,
- Health Education England,
- Kent, Surrey and Sussex Postgraduate Deanery, and
- the Universities of Brighton, Chichester and Sussex.

University Hospitals Sussex NHS Foundation Trust was formed on 1 April 2021 by the merger of Western Sussex Hospitals NHS Foundation Trust (WSHFT) and Brighton and Sussex University Hospitals NHS Trust (BSUH) WSHFT and BSUH had worked together under joint management for the previous four years and collaborated particularly closely in responding to the COVID-19 pandemic. After exploring options for their ongoing relationship, the two Trust Boards agreed that a merger of the two organisations would best serve the interests of patients and staff.

University Hospitals Sussex was created to bring together the best of its predecessor organisations. The new trust has a core focus on putting the patient first and foremost – our 'True North'. This is underpinned by a commitment to continuous improvement and a set of values selected by our staff, patients and stakeholders:

- Compassion and communication
  We treat our patients and staff with the same compassion and empathy we expect for ourselves. We're here for them when they need us, and we go above and beyond to meet their needs. We care about everyone's well-being, because that's why we do what we do. And we make sure everyone feels informed and included. We always find the time to communicate with staff and patients, however busy we may be, because people's lives depend on it.

- Inclusion and respect
  We welcome everyone and treat people as individuals – celebrating difference and always taking the time to listen. We respect people's choices and always do our best to anticipate their needs. We treat everyone fairly and make sure people are free to be themselves. We make sure our Trust provides equal access for everyone and we put in place the processes, support and advocacy needed to meet people's individual requirements.

- Teamwork and professionalism
  We work together to provide exceptional care and uphold the highest standards. We value learning, teaching and training so that we can be the best that we can be. We collaborate, we forge partnerships and we celebrate each other's success. We make sure all our voices are heard and we speak out when things aren't right. Our colleagues are our extended family – we stand shoulder to shoulder through good times and bad. We're driven by our desire to put our Patient First.

More than 25,000 staff, patients and local people are now members of the new Foundation Trust the merger created. Our members help shape our future plans and priorities. They also elect our Council of Governors. Our governors represent the views of our community and act as a "critical friend" to the Trust. This means they keep an eye on our performance and hold the organisation to account.

Our year in numbers

In 2022/23:

- We held more than 1.2 million outpatient appointments *(2021/22 1.1 million)*
- We received more than 670,000 referrals for care *(2021/22 420,000)*
- We saw more than 347,000 people in our emergency departments *(2021/22 320,000)*
- We admitted more than 107,000 patients to our wards *(2021/22 77,000)*
- We performed more than 134,000 operations and day case procedures *(2021/22 46,000)*
- We delivered more than 8,300 babies *(2021/22 8,500)*
- More than 5,000 people started cancer treatment *(2021/22 5,500)*
- We cared for more than 1,300 patients with Covid-19 *(2021/22 3,500)*

More information about the Trust's operational and financial performance is available in Section 1.3 of this report.
The headquarters of the Foundation Trust are:

Chief Executive's Office
Worthing Hospital
Lyndhurst Road
Worthing
West Sussex BN11 2DH

University Hospitals Sussex NHS Foundation Trust

1.3 Performance Analysis

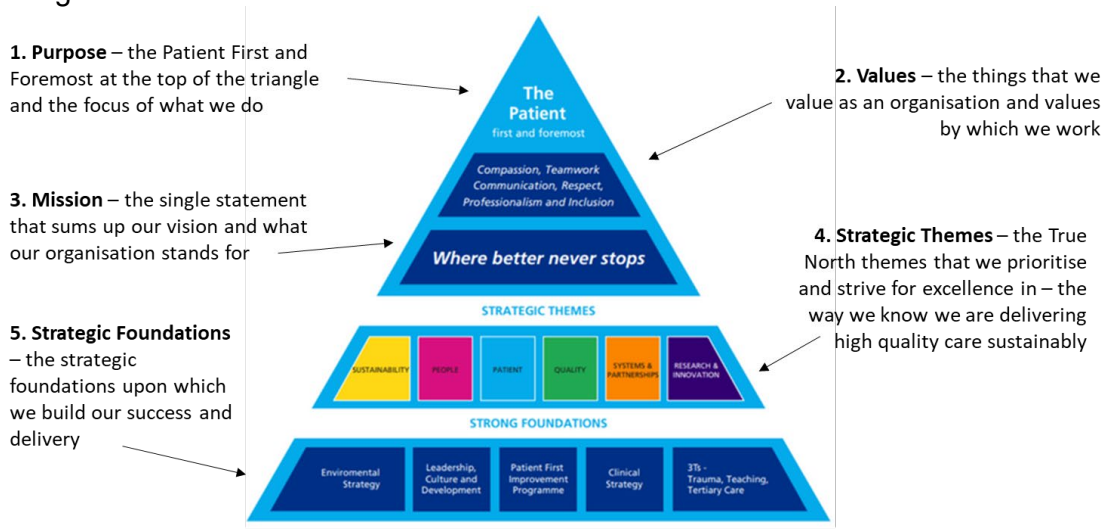
1.3.1 Patient First

The Trust Board recognises that much of the strength of our hospitals lies in the skill, enthusiasm and innovation of our staff and has actively sought to build an organisational culture that empowers these teams and individuals to make lasting changes that benefit our patients and the community.

Patient First remains at the heart of our Trust and is our leading, long-term approach to transforming the way we deliver services for the better.

Patient First is a programme based on standardisation, system redesign and ongoing development of care pathways, built on a philosophy of incremental and continuous improvement led by frontline staff empowered to initiate and lead positive change.

We describe the structure and focus of Patient First visually in the form of a triangle.



It starts with our purpose, mission and values. These describe our core focus, or True North: putting ***the patient first and foremost***

They underline our commitment to being an organisation ***where better never stops***.

And they set out the ideals that guide everything we do:

- Compassion and Communication
- Inclusion and Respect
- Teamwork and Professionalism

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Strategic themes

Patient First's strategic themes are the things we need to prioritise to keep moving towards our True North.

- The **patient** has to be at the heart of everything we do
- Our services must be **sustainable**
- We need to attract and keep the best **people**
- We have to strive for the very highest **quality**
- We must work with the wider **system and our partners**
- And we should invest in **research** so we can use **innovation** to drive our improvement

Research innovation has been added as the sixth strategic theme in 22/23 to recognise the importance of this area within a large University Teaching hospital. The Trust North and breakthrough objective for the new theme have been developed as part of the strategic review process.

Each strategic theme has four elements. These help us focus on what we want to achieve and keep track of our progress:

- Strategic vision
- Strategic goal
- Target
- Breakthrough objective

We set each theme's **vision** by asking ourselves: what it is that we aspire to? What is it that we want to achieve?

Then we ask what that aspiration actually looks like in the real world? In other words, what's the ideal future state for each theme? That's our **strategic goal**.

Next, we set ourselves a concrete **target** we can use to measure our progress towards it.

And finally, we agree a **breakthrough objective**. This is the short-term focus that will move us forward fastest towards our vision and goal. It comes with its own metrics that let us check our performance.

How it is delivered

Patient First is supported by five pillars what will support the strategic themes and help us achieve the targets we have set under each:

- Strategy development

- Strategy deployment (including Patient First Improvement System)
- Capability building
- Kaizen Office
- Improvement Initiatives

The Patient First Improvement Programme uses the methodologies of the Lean and Six Sigma improvement framework, which has been proven throughout the world as a highly successful system for enabling sustained progress towards strategic goals.

This approach has enabled us to identify a True North goal and associated objectives and metrics for each of the strategic themes – essentially a point of focus and measurement that will make the strongest direct contribution to moving us forward towards our Patient First goals:

True North

The key goals of the organisation to achieve by which we know we would be delivering high quality care, in a sustainable way

True North / Strategic Vision		Strategic Goal	Current Target	
Pa	**Excellent care every time**	Positive experiences for all patients and their families	In top 25% of trusts for patients rating experience as good or better throughout their pathway	**Dr Maggie Davies, Chief Nurse**
S	**Making the most of our resources**	High-quality, accessible services delivered in budget	Breaking even financially	**Karen Geoghegan, Chief Finance Officer**
Pe	**A great place to work**	Supported staff committed to excellent care	In top 25% of trusts for staff engagement	**David Grantham, Chief People Officer**
Q	**Best outcomes**	Zero preventable harms and lowest mortality among similar trusts	Falling numbers of preventable harms and SHMI ≤100	**Dr Maggie Davies, Chief Nurse**
S&P	**Accessible care**	Achieving national standards for planned, cancer and emergency care	No 78-week waits | Achieving 62-day cancer standard | No 12-hour waits in A&E	**Dr Andy Heeps, COO & Deputy CEO**
R&I	**Evidence-based improvement**	Research and innovation for all patients and staff	Staff feel able to make improvements	**Dr Catherine Urch, Chief Medical Officer**

The culture of change needed to achieve service transformation on this scale requires a significant degree of support, which is what the triangle's five underlying pillars have been created to provide – all working collectively but each with a specific focus of its own.

Strategy development identifies and develops the Trust strategy for the coming year, including the review of True North, and the refresh of relevant breakthrough objectives, strategic initiatives and corporate projects. It is the 'what' we do.

Strategy deployment is responsible for cascading the Trust's strategy to every member of the Trust, so they understand their role in the delivery of Patient First improvements and support the common goals. This includes the delivery of the Trust's lean management system (Patient First Improvement System – PFIS) which empowers front-line staff to make improvements and

give back ‘time to care’ by removing wasteful activities and improving processes.

The Kaizen Office is the Trust’s centre of excellence for the Lean techniques underpinning Patient First, home to a dedicated team tasked with enabling a consistent and sustainable Trust-wide approach to improvement over the long term.

Capability building is about equipping our staff with the skills to deliver continuous improvement, with training available for every staff member, beginning at induction and going all the way through to Lean practitioner level.

Improvement initiatives are specific, larger projects aligned to True North metrics and breakthrough goals, managed by Lean-trained staff and supported by the Kaizen Office.

Patient First in 2022/23

Patient First continues to be recognised across the Trust as giving clinical teams fast-track methods of problem solving, creating better leadership, raising standards and helping staff release more time to care for patients.

The Improvement and Delivery function, which includes the Kaizen Office, also provides support to improvement projects across the Trust. This has enabled us to make major advances in the quality and safety of patient care, with front line teams who care for our patients and are therefore best placed to understand what can be improved. For example, two breakthrough objectives have been identified that are being delivered directly through our wards:

Quality – Fewer Falls. The Trust has identified a key objective to reduce the number of falls that patients experience whilst in our hospital. Wards that experienced higher number of falls have been focussing on this a driver metric and been tasked to identify reasons that falls may be happening. Once the cause is evaluated, they will identify improvements to stop these instances occurring. Less falls will have multiple benefits; shorter stay in hospitals for our patients, less adverse incidents and improved patient experience.

Systems & Partnership – Home for Lunch. Whilst hospitals can be the ideal place for acutely poorly patients to be, once a patient is well enough to discharged there are a number of steps that need to be undertaken to ensure the patient can leave safely. Prompt discharge of well patients out of hospital beds and back to their place of residence means that we can place patients at the beginning of their admission into acute care into the most appropriate bed. Wards were asked to identify what was stopping patients being able to leave the hospital earlier in the day, and locally led improvements are now underway to enable this to happen.

Progress against our other Patient First True North Goals is described in detail later in this Annual Report.

To ensure that we are able to deliver high quality improvements, we need to ensure that our staff are equipped with the relevant skills and tools. During 2022/23 we created Patient First Intensive Induction training as additional training. This package was designed to reflect the introduction, to the merged organisation, of a newly formed team of Executives and Directors, some of whom had not experienced or used the Patient First system in their previous roles. The induction provides both an overview of Patient First as well as articulating their role in the delivery of improvements and coaching of their teams to do the same. At the end of March 2023, 41 of our Executives and Chiefs and Directors have completed the training. We have also trained 186 senior managers in Patient First via Patient First for Leaders, which provides training in the use of continuous improvement tools and ways of working for senior leaders across the organisation.

Training of our front-line teams is completed through Patient First Improvement System (PFIS) wave training, where teams are supported through a 4 to 6 month programme that includes training in continuous improvement tools as well as ways of working. Once graduated, units will continue to work on both local improvements on their wards, whilst at the same time identifying how they can deliver their part of True North At the end of March 2023, the Trust has trained a total of 160 PFIS units.

PFIS maturity is measured through the ability of units to consistently deliver improvements with minimal support. The Trust has ended 2022/23 with 26 graduate level teams – the highest number since the start of the Covid pandemic. PFIS units will also be supported through their transition into the Louisa Martindale building at Brighton, using their problem-solving skills to not only resolve any difficulties that the move may bring, but also helping to deliver the full benefits of moving into the new building.

During the year there has been full restoration of the hierarchy of key Patient First processes: Trust Strategy Deployment Reviews (SDR), Divisional Strategy Deployment Reviews, Chief Operating Officer to Managing Director, Managing Director to Divisional Director huddles and Divisional driver meetings. A pilot has been started for a Hospital SDR process involving the Hospital Director teams, with the aim of giving a site-based focus to improvement opportunities.

1.3.2 Trust True North Goals

The Patient – True North: for all of our patients to have a positive experience of the care that they receive within the organization as measured by the Friends and Family Test.

Our Friends and Family Test (FFT) patient feedback demonstrates that through the 2022/23 year the significant majority of the Trust's patients had a good or very good experience of their care with an average score of 88%. This is lower than the previous year (90%) and reflects the national picture in which public perceptions and confidence in the NHS is reducing. The Trust overall response rate was 23%.

Consistent with the national position for the NHS, patient experience is most positive in outpatient, inpatient and maternity services and least positive in accident and emergency departments. The percentage of patients rating their care as good or very good for all patient touchpoints was in line with national averages for the year, with positivity ratings for emergency departments at University Hospitals Sussex (76%) above the national average (73%).
Each month, the Trust receives between 12,000 and 13,000 surveys from patients rating their experience of their care, with between 9,000 and 11,000 patients leaving comments. Through the newly commissioned Friends and Family Test system, these comments can be analysed by theme, site, ward, speciality and clinical division to identify strengths and opportunities for improving patient experience.

The Trust also supports completion of the national patient surveys commissioned by the CQC every year for hospital admissions where feedback is taken from a representative sample of patients. This is designed to be a one-off snapshot of experience or views that can be compared with other Trusts and is based on a lengthy structured questionnaire. Most recently, the 2022 Maternity Services Survey was undertaken, with the results presenting a positive position for patient experience of maternity services, with performance in the top ten trusts nationally.

Other means of monitoring experience included feedback from complaints and PALS enquiries, comments placed on social media and the NHS Choices website, and those submitted to Healthwatch.

Insights from all of these sources informed the University Hospitals Sussex Patient Experience Strategy 2022 to 2025 which was launched in July 2022 alongside a range of metrics to track the main contributors for patient experience. The strategy includes the Trust's ambitions to improve engagement, enhance the voice of those who may face barriers to engaging with services, embedding patient experience within improvement work in line with Patient First values and processes, and ensuring accountability.

Quality – True Norths: to achieve the lowest crude mortality within our peer group and aim for a 5% reduction in harm to our patients.

To achieve the lowest crude mortality within our peer group

In 2021/22 the Trust began using crude mortality as the True North metric to monitor improvements in mortality, alongside the Hospital Standardised Mortality Ratio (HSMR) and Summary Hospital Mortality Indicator (SHMI) .
The change to crude mortality rates overcame challenges in interpreting variation in benchmarked mortality indicators resulting from factors such as clinical coding. The use of crude mortality was expected to provide greater insight and a strengthened focus on reducing avoidable deaths.

However, the focus on crude mortality coincided with an unprecedented rise in mortality rates nationally resulting from the Covid-19 pandemic. Deaths from

Covid-19 infection, the backlog of untreated other conditions during the pandemic and usual seasonal variation have each added complexity to monitoring Crude Mortality alone.

The Trust has therefore continued to monitor HSMR and SHMI. Historically, the Trust had a low HSMR and a SHMI within the expected range. However, in the last year, the SHMI has risen, especially at Princess Royal (PRH) Hospital sites. The high PRH SHMI conflicted with a consistently (very) low Crude Mortality rate at this site; external investigation (HEDS) has confirmed that the re-categorisation of Same Day Emergency Care activity since April 2020 contributed significantly to the observed rise in SHMI at PRH, which has since reduced to the levels seen at Worthing and SRH.

During 2022/23, previous issues relating the coding depth at both the RSCH and PRH sites (a consequence of remote working during the pandemic) were fully resolved. The return of the coding Teams to full on-site working has resulted in the depth of coding now being similar on all 4 acute sites.

The Divisions and Clinical Outcomes and Effectiveness Team triangulate mortality data with the outputs from its Learning from Deaths processes. This process captures learning from the work of the Medical Examiners who scrutinise all in hospital deaths and from the Structured Judgement Reviews undertaken by mortality reviewers where there are concerns. Themes of learning include the effective use of Treatment Escalation Plans and Do Not Attempt Cardio Pulmonary Resuscitation as well as the recognition of the deteriorating patient.

2022/23 has therefore been another unrepresentative year however the Trust has maintained close monitoring of all appropriate internal and nationally benchmarked available mortality indicators to monitor this key area at a time when there has been exceptional demand for urgent care, alongside the need to manage an increase in long waiting patients due to the pandemic.

Reducing harm

Trust wide it is expected that patients do not suffer harm whilst in our care. However, it is recognised that there are patients who suffer new harm which is acquired during their time in hospital. This has a significant impact on patients, families, carers, and staff and within the wider organisation.

During the year the Trust saw for its sites a reduction of harms in April 2022 to that reported March 2023 of 13%. However, this overall harm reduction percentage is in line with the significant reduction in deaths attributed to nosocomial (hospital acquired) COVID; evidenced nationally from 2020 to 2022.

Our measures were

- With the Trust merging different systems and reporting cultures the main objective is to aim to achieve an accurate baseline with a standardised and unified method of reporting.

- Utilising the data for the incident reporting system (DATIX), data was extracted and analysed regarding all harm categories including near miss, no, low, moderate, severe harm and death. The data was calculated per 1000 bed days to assess qualitatively (rather than quantitively) harms against occupied patient bed days.
- National benchmarking will align with the launch of the NHSE Learning From Patient Safety Events (LPSE) in 2023 (replacing the national Reporting and Learning System NRLS).
- The ophthalmology service has seen an increase in incidents causing moderate harm or above due to patients being lost to follow up in the previous years. The situation has improved in the latest financial year with an 95% improvement in severe harm reduction from 2020/21 due to the appointment of 3 failsafe officers at Southlands Hospital. The same model has now been replicated in the Sussex Eye Hospital (RSCH).
- Datix DCIQ and the NHSE Patient Safety Incident Response Framework (PIRSF) implementation continue as the main patient safety workplans, implementing hot debrief after action reviews and thematic reviews as listed. The new incident module incorporates two new features; the ability for staff to raise the level of their concern and also to highlight good practice.

The level incident reporting has remained consistent throughout the year, but also reflected the ongoing challenges from the pandemic, industrial action, bed occupancy, patient frailty, reduced staffing due to sickness and the system pressures of delayed patient discharges and referral to treatment.

In addition, patients who sadly died from hospital acquired Covid-19 infection (nosocomial) as recorded on death certification have also demonstrated a variance in the levels of harm recorded.

The implementation of the new RL Datix IQ cloud-based system in Q1 of 2023 will allow for a refresh of training and standardise reporting culture across the organisation. We aim for an increase in reporting to demonstrate learning but following the True North objective: a reduction in actual harm to evidence improvement.

Our People – True North: to be in the top acute Trust in the country for staff engagement.

Improving staff engagement is the strategic objective for the People domain of Patient First and our long-term objective is to achieve a staff engagement score that places the Trust in the top quartile of acute Trusts in the country. Following the 2021 staff survey results and feedback from staff we changed our breakthrough objective to focus on ‘staff voice that counts’ working with Divisions and Services to use our Patient First Improvement System to increase the number of staff who would speak up confident that they would be heard and that their feedback would be acted upon. Our strategic initiative, longer term work on the culture of the Trust, was also re-focussed to cover

equality diversity and inclusion, reducing violence and aggression and leadership. This alongside other work on key staff issues such as health and wellbeing are expected to improve staff engagement over the 12 months before the next staff survey in 2023.

As the Covid pandemic eased in 2022/23, the demands on our staff have remained extraordinary as the Trust started to address the backlog of patients who had been waiting and continued to manage extraordinary demand for our services. Covid had not gone away and the winter of 2022 was an extremely pressured time for staff with Covid and other respiratory illnesses fuelling demand. Throughout the Trust has continued to develop approaches to staff engagement. We have continued the extensive use of MS Teams for frequent engagement with staff across the organisation and increasingly more localised 'staff listening events'. Weekly Executive-led briefings have continued throughout the year to update staff on the impact of the pandemic, our performance and also staff support. Communications have also focussed on the remaining re-structuring of the organisation following merger. 'Live' attendance at weekly briefings continues to be at levels of some 500+ participants and recordings provide a platform for staff who are unable to attend to catch up on the events at a later date.

Staff engagement, as measured through the annual NHS staff survey, was 6.5 (out of 10) in 2022 (a decline from 6.6 (out of 10) in 2021). The average across acute Trusts was 6.8. This reflects the pressures our staff have been working under, the continuing impact or merger and establishment of new leadership teams, finally completed in September 2022 and wider NHS issues such as pay and the cost of living.

The Trust continues to focus on staff issues with most Divisions having our breakthrough objective of 'staff voice that counts' as a 'driver' metric in their own performance improvement.

Sustainability – True North: to ensure that the Trust sustainably achieves 'Break Even' financially.

The Trust's True North is measured through the metric of delivering the Trust's Financial Plan. The delivery of the Trust's financial plan is measured through:

- I&E Performance: achieving the agreed I&E plan;
- Cash: maintaining sufficient cash balances;
- Capital: achieving the agreed capital plan; and
- Efficiency: achieving the required efficiency programme.

The Trust ended the year with I&E performance being £6k better than the £10.4m deficit plan agreed with the Sussex Integrated Care Board. The year-end cash balance for the Trust and Pharm@sea Limited of £58.87m was £14.37m less than planned mainly as a consequence of the Trust making higher than planned payments in order to maintain the Trust's Better Payments

Practice Code (BPPC) performance and the year-to-date deficit against plan. In respect of the year-to-date BPPC performance, the Trust paid 91% of invoices (volume), which represents 93% of payments (value) within agreed terms with suppliers. The 2022/23 capital expenditure of £118m, was delivered through £30m on 3Ts and £87.6m on operational capital schemes. The Trust delivered £42m of efficiencies, against a planned target of £48m, predominantly within the 3% cost reduction and productivity schemes. Underperformance against the 19/20 baseline coupled with elevated levels of insourcing and outsourcing in comparison to 19/20, resulted in a loss of productivity savings this year.

Systems and Partnerships – True Norths: to have 95% of A&E patients waiting less than four hours to be admitted or discharged and to eliminate referral to treatment 78 week waits.

The constitutional standards in 2022/23 were 95% of patients that attend A&E for urgent or emergency care waiting less than four hours and to have 92% of patients referred for elective care having a referral to treatment (RTT) time below 18 weeks. As with all NHS Trusts these aims were materially impacted by the knock on impact of the coronavirus pandemic since March-20 and its impact on patients, and staff.

In 2023/24 we are focusing improvement actions on reducing the numbers of patients who attend A&E, wait over four hours for treatment but do not require admission to hospital as well as improving the flow through our hospitals (via the length of stay improvement programme) to reduce the amount of time patients who require admission wait in the A&E department. In line with the planning guidance this requires improvement to 76% A&E 4-hour performance by March-24. The Trust is also committed to reducing the length of time patients wait for elective care with the aim being to eliminate the numbers of patients waiting more than 65 weeks by the end of the year, have no more than 5% waiting diagnostic tests by March-24, and see continued improvement in reducing prospective 62 day cancer waiters.

The Coronavirus pandemic was less impactful on routine elective capacity directly in 2022/23 than the preceding 2 years, but there remains residual peaks and troughs of both patient and staff sickness associated with the virus which compounds capacity constraints at times as the Trust faces the significant challenge associated with waiting list backlog clearance. In accordance with National clinical guidelines, the Trust prioritises care for patients with the most urgent clinical needs who take precedence over long waiting routine patients in terms of clinical priority.

The Trust has also observed short notice cancellations of elective care as a result of industrial action in December and throughout quarter 4 of 2022/23.

In A&E the Trust saw, treated, admitted or discharged 63.4% of patients within 4 hours across the year (including Bognor MIU) following significant flow constraints, and increased A&E demand. The Trust has worked

collaboratively with partners, continued to develop our estate to support A&E and continued to enhance our internal process improvements which will continue to mature and deliver improvements into 2023/24.

Research and Innovation – True North: University Hospitals Sussex will be a place where all patients and staff have the opportunity to participate in high-quality research and innovation which is relevant to them and will work with partners across Sussex to ensure the whole population benefits from health and care research and innovation.

Research and innovation drive continuous quality improvement in healthcare and help NHS organisations attract and retain a high calibre workforce. University Hospitals Sussex has a new Research and Innovation True North ambition putting research at the heart of the Patient First vision, the Trust's long-term approach to transforming hospital services for the better. The Trust focuses its continuous improvement work through strategic themes as the components to deliver 'excellent care every time'. In October 2022 we established a sixth strategic theme, one for research and innovation, reflecting our ambition and potential as a tertiary centre.

We have set out a vision for University Hospitals Sussex as a place where all patients and staff have the opportunity to participate in high-quality research and innovation which is relevant to them, and where we work with partners across Sussex to ensure the whole population benefits from health and care research and innovation. We will achieve this by broadening engagement in research across our organisation and throughout our workforce, and through research partnerships with the Sussex Health and Care Partnership Integrated Care System, other health and care service providers in Sussex and academic partners including the Brighton and Sussex Medical School (BSMS).

This year the research and innovation breakthrough objective has focused on growing and broadening the opportunities for our patients and staff to take part in research by increasing the number of active research studies, increasing the number of patients recruited to research studies and broadening the involvement of different clinical services and their staff in delivering research. The Trust will refine its strategic objectives alongside the development of a new Research and Innovation Strategy, which is due to be published in September 2023.

1.3.3 Risk Management

The Trust has an established risk management framework. This framework incorporates a Board Assurance Framework (BAF) which is used to record and track the management of the Trust's strategic risks against each of the Trust's true north objectives. Each strategic risk has an executive lead and is overseen by a specific Committee of the Board. Throughout the year regular reporting of these risks has been provided through the Board Committees to

the Board and at each Board meeting the Board confirmed the Board Assurance Framework fairly represented the Trust's strategic risks.

The Board also confirmed the Trust's risk appetite statements which are used to drive the respective risk's target scores. During the year the BAF records that the Trust has been managing 16 strategic risks and during the year the Trust had seen a number of these risks increase meaning at the year end all but one of these key risks exceeded their determined target score and 14 of these risks were rated as significant.

Summary of the Trust's strategic risks as monitored through the Trust's BAF

1. Patient *(Oversight provided by the Patient Committee)*
1 We are unable to deliver or demonstrate a continuous and sustained improvement in patient experience resulting in adverse reputational impact and poor patient outcomes.
2. Sustainability *(Oversight provided by the Sustainability Committee)*
2.1 We are unable to align or invest in our workforce, finance, estate and IM&T infrastructure effectively to support operational resilience, deliver our strategic and operational plans and improve care for patients.
2.2 We cannot deliver ongoing efficiencies and flex our resources in an agile way resulting in an increasing or unmanaged deficit and inefficient, unaffordable and unsustainable services.
2.3 We are unable to meet high standards of financial stewardship meaning we cannot sustain compliance with our statutory financial duties.
3. People *(Oversight provided by the People Committee)*
3.1 We are unable to develop and sustain the leadership and organisational capability and capacity to lead on-going performance improvement and build a high performing organisation.
3.2 We are unable to effect cultural change and involve and engage staff in a way that leads to continuous improvements in patient experience, patient outcomes, and staff morale and wellbeing.
3.3 We are unable to meet our workforce requirements through the effective recruitment, development, training and retention of sufficient staff adversely impacting on patient experience and the safety, quality and sustainability of our services.
3.4 We are unable to consistently meet the health, safety and wellbeing needs of our staff as we recover and restore services in line with CV-19 restrictions.
4. Quality *(Oversight provided by the Quality Committee)*
4.1 We are unable to deliver safe and harm free care to reduce non-covid mortality.
4.2 We are unable to deliver service improvements and improve safety, care quality and outcomes for our patients or demonstrate that our services are clinically effective and demonstrate our consistent compliance with regulatory requirements or clinical standards.
5. Systems and Partnerships *(Oversight provided by the Systems and Partnerships Committee)*
5.1 We are unable to develop and maintain collaborative relationships with partner organisations based on shared aims, objectives, and timescales leading to an adverse impact on our ability to operate efficiently and effectively within our health economy.
5.2 We are unable to define and deliver the strategic intentions, plans and optimal configuration that will enable our services to be sustainable, leading to an adverse impact on their future viability.

5.3 We are unable to deliver and demonstrate consistent compliance with operational and NHS constitutional standards resulting in an adverse impact on patient care and financial penalties and the Trust's reputation.
6. Research and Innovation *(Oversight provided by the Patient Committee)*
6.1 We are unable to harness its research capabilities thus not being able to meets is stated ambition as high-class research organisation thus impacting on the Trust's ability to attract and retain staff.
6.2 We are unable to secure protected research and innovation time within individual job plans of our clinical and support workforce to meet the Trust R&I ambition.
6.3 We lack a fit for purpose Clinical Research Facility (CRF) and clinical research space across Trust hospital sites to support the delivery of the R&I True North ambition.

For each of these strategic risks there is a detailed series of mitigations which will continue to be implemented throughout 2023/24. The delivery of these mitigations and their impact on the risks is monitored through the appropriate Committee of the Board.

The work of the Patient Committee provides assurance to the Board in respect of the Trust's action to manage patient experience risk, especially during the periods patients had extended waits for their treatment and care. The Patient Committee from the last quarter was allocated oversight of the Trust's Research and Innovation domain which has seen it receive information on the developing Research Strategy along with information on the participation levels within various research trials.

The Quality Committee maintained a focus on the management of the Trust's key quality risks. Due to operational and workforce pressures the mitigation of the quality risks was less successful than planned and thus these risks remained scored above their target. The Quality Committee has also overseen the Perinatal dashboards and associated actions.

The establishment of the People Committee has enabled the Board to track the formulation and delivery of plans to manage these risks alongside receiving direct information from staff feedback / surveys on the efficacy of the wellbeing programmes developed to support the Trust's staff. The People Committee has also received information from the various Trust Freedom to Speak up Guardian and the Guardian of Safe Working on both their activities but also on the developing programme of work supporting staff to be able to raise matters where improvements can be made. The Committee has also supported the Board by scrutinising the Trust's equality, diversity and inclusion (EDI) strategy ahead of the Board approving the respective EDI priorities as the start of the work the Board is driving forward in 2023/24.

The Trust has taken a number of actions to enhance its processes to support the wellbeing of its staff. However, given the relentless pressure the pandemic has placed on the Trust's services and the prolonged period of the national incident the Trust has assessed the long-term risk to staff wellbeing as increasing.

The Trust took action during the year in respect of the key sustainability risks given the degree of uncertainty within the 2022/23 financial framework. The Trust did revise its financial plan for 2022/23 recognsing that the Trust was not able to meet its planned break-even position.

The Trust's Systems and Partnerships Committee considered a range of risks which included the oversight of the risks regarding to the key constitutional targets and the work of the Trust in prioritising the treatment of patients according to their clinical needs, in line with national guidance. Like the majority of NHS providers, the Trust has taken action to support the NHS and the country with measures to deal with Covid-19 which has impacted on the Trust's ability to reduce this risk. The Quality Committee maintained a complementary review of the Trust's processes to manage the quality risks for patients waiting.

The Audit Committee in their review of the Trust's strategic risks and most highly scored divisional and corporate risks complement the work of the respective Board Committees.

The Trust has continued to invest time and executive oversight into the enhancement of the Trust's reporting of its highly scored risks, particularly those linked to the Trust's corporate projects and strategic initiatives which complement the Trust's BAF risks. This activity has seen the development of an integrated risk report being provided to the respective Board Committees, across the year. The Trust has established a corporate risk management team to support the divisions enhance both their risk literacy as well as their levels of compliance with the Trust's risk management policy.

Further detail in respect of the Trust's risk management framework can be found in the Trust's annual governance statement which is at section 2.7 of this report.

1.3.4 Performance Framework

University Hospitals Sussex NHS Foundation Trust utilises an extensive Performance Framework to ensure sustained delivery of key measures based on the principles of the Balanced Scorecard. This framework ensures scrutiny, assurance, and where necessary, remedial actions and follow through to compliance recovery. The layering of this framework ensures oversight occurs through

- Directorate review of departmental/ward delivery
- Divisional Management Board review of associated Directorates
- Divisional Strategy Deployment Reviews (SDRs) undertaken by the Trust Executive
- Quarterly performance review by relevant Board Committees of Sustainability, People, Quality and Systems and Partnerships which support the review at Trust Board of the Trust's integrated performance report.

Each layer of review and action considers both the key targets and outcomes / objectives used to assess operational performance under the Trust's Patent First Domains including the True North metrics and a wider set of balanced scorecard indicators that have been selected to provide a more complete view of operational risks and interdependencies. The review process is underpinned by a suite of business intelligence tools designed to show outcomes, but also the drivers of potential compliance risks such as changing demand profiles.

1.3.5 Operational performance

The operational performance of UHSussex is measured against key access targets and outcomes objectives set out in the NHS Operating Framework by the NHS National Executive (NHSE). For operational performance these are:

- A&E maximum waiting time of 4 hours from arrival to admission/transfer/ discharge. National Target of >76% by March 2024
- RTT patients on an incomplete pathway - zero over 65 week waits by March 2024
- All cancers – maximum 62-day wait for first treatment from:
  - urgent GP referral for suspected cancer
  - reduction of prospective 62 day PTL
  - 28 day Faster Diagnosis Standard > 75%
- Maximum 6-week wait for diagnostic procedures - no greater than 5% waiting over 6 weeks by March 2024

A&E

Constitutional Standards	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	21/22 YTD	22/23 YTD	Var	% Var	Trend
A&E and Emergency Flow																		
A&E 4 Hour Performance UHS	60.1%	61.7%	63.9%	64.5%	61.7%	62.6%	63.5%	60.70%	61.37%	56.19%	68.41%	68.86%	68.78%	74.1%	63.4%	-10.7%		
A&E Performance National	71.6%	72.3%	73.0%	72.1%	71.0%	71.4%	70.95%	69.3%	68.9%	65.0%	72.4%	71.5%	71.5%	76.7%	70.8%	-5.9%		
A&E 4 Hour Breaches	13,456	12,199	12,612	12,162	13,488	12,398	11,963	13,757	13,123	15,368	9,541	9,292	10,607	101742	146510	44768	44%	
A&E 12 Hour Trolley Waits	772	690	548	609	733	925	933	1,261	1,010	1,680	1,017	760	951		11117			
A&E 12 hours in department *New*	1,666	1,737	1,638	1,727	1,984	2,208	2,603	3,226	2,761	4,163	2,354	1,958	2,427		28786			
A&E Attendances	33,944	31,822	34,956	34,212	35,203	33,158	32,778	35,005	33,973	35,077	30,201	29,840	33,977	392298	400202	7904	2%	
Time to Triage	29	25	21	22	24	21	23	24	24	28	17	19	18	21.1	22.2	1	6%	
Time to Treatment	143	130.4	128.1	134.1	142.2	137.5	131.7	142.5	137.9	148.1	96.2	116.7	122.8	107.4	130.7	23	26%	
Mean Waiting Time	333	319.8	306.4	316.6	332.4	347.3	343.8	373.4	360.5	432.3	335.3	311.8	328.1	257.5	342.3	85	39%	
Ambulance Handovers	6,382	6,286	6,988	6,430	6,632	6,577	6,487	6,366	6,235	6,161	6,398	6,059	6,771	79341	77390	-1951	-2%	
Ambulance Handover <15 minutes	38.4%	42.9%	47.8%	47.7%	45.8%	44.7%	45.6%	41.1%	40.9%	31.3%	50.5%	51.9%	46.9%	48.3%	44.8%	-3.5%		
Ambulance Handovers > 60 minutes	9.4%	7.3%	5.1%	4.0%	4.4%	6.2%	5.7%	8.9%	6.3%	11.8%	3.0%	2.5%	4.1%	4.9%	5.8%	0.9%		
Emergency Admissions > 1 LOS	5,387	5,221	5,640	5,406	5,314	5,199	5,048	5,259	5,366	5,360	5,288	4,922	5,792	68054	63815	-3368	-5%	
Bed Occupancy	96.9%	94.7%	94.9%	94.4%	94.5%	95.1%	94.6%	95.5%	95.9%	95.9%	95.4%	95.5%	96.2%	92.6%	95.2%	2.6%		
Average LOS (Excl LOS 0)	8.8	9.4	9.0	8.6	8.2	8.9	9.6	9.8	10.0	9.6	9.8	9.0	8.2	7.5	9.2	1.7	22%	
> 7 day LOS Patients	891	913	878	914	898	948	926	981	949	1063	1082	1047	1045	749	970	221	30%	
>21 day LOS Patients	337	370	324	366	373	424	432	457	421	467	490	464	468	259	421	162	62%	

Nationally it has been a challenging environment throughout 2022/23 with emergency demand affected by Covid-19 at times, compounded by more typical emergency demand returning in year (2% higher in 22/23 than 21/22 and 8% higher than pre-pandemic 2019/20). Trust performance for the year was 63.4%, below the National target of 95%, which was 7.4% below the National average. The Trust had an extremely challenging Q1-Q3 with increased demand and constrained onward flow contributing to poor

performance. The Trust saw an improvement in quarter 4 with an average of 68.7%

As the Trust has come out of the respective waves of the pandemic, the Trust has recommenced its programme of work to improve performance through recognised improvement methodologies and clinical pathway improvements throughout the patient emergency pathway.

Additionally, the Trust has continued to engage and co-ordinate aligned resilience plans in the wider Local Health Economy, through the Sussex ICB chaired Local A&E Delivery Board, and wider regional acute partners for escalation to target reducing long staying patients, to free up bed capacity and enhance patient flow. Despite this, patients staying >21 days increased by 162 beds in 2022/23 compared to 2021/22. Continued focus to expedite discharge to a more appropriate setting for patients who are medically ready to be discharged will contribute to improving flow for patients who require acute care. The Trust is continuing to focus on improvement work to tackle Length of Stay and expedite morning discharges to free up beds for A&E demand to reduce delays.

Referral To Treatment (RTT)

Constitutional Standards — Mar-23

	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	21/22 YTD	22/23 YTD	Var	% Var	Trend
RTT Elective Care																		
RTT 18 Week Performance	56.30%	55.86%	58.02%	56.73%	55.64%	55.61%	54.35%	54.08%	53.04%	49.81%	49.23%	48.26%	46.76%	56.30%	46.76%	-9.54%		
RTT 18 Week Performance National	62.4%	61.70%	63.50%	62.22%	61.03%	60.8%	59.4%	60.1%	60.1%	58.0%	58.3%	58.5%		62.4%	58.5%	-3.92%		
Waiting List Size	103,085	105,320	108,847	112,031	114,305	117,765	118,754	120,528	122,190	125,576	128,994	128,038	128,876	103,085	128,876	25,791	25.0%	
> 52 Weeks	6,369	6,738	6,820	7,393	7,733	8,065	8,372	8,340	8,681	9,176	9,630	9,771	10,497	6,369	10,497	4,128	65%	
>78 Weeks	1,070	1,074	1,176	1,151	1,082	1,081	1,122	1,086	897	1,076	972	656	257	1,070	257	-813	-76.0%	
Clock Starts	26,746	21,606	26,153	24,320	23,244	25,825	23,841	23,913	25,051	17,980	17,118	18,819	20,827	284,421	268,697	-15,724	-5.5%	
Clock Stops	23,355	17,781	20,768	19,486	19,147	20,260	20,820	20,734	22,269	14,775	20,506	18,866	20,325	236,297	235,737	-560	-0.2%	

The Trust's under 18-week RTT performance has declined across the year with a reported performance of 46.8% March 2023. This was 9.5% lower than March 2022, and 11.7% below the national average position. The Trust has seen an increase in two week and urgent referrals and has been focussing energy with constrained capacity towards reducing longest waits.

The Trust has made progress with reducing numbers of very long waits (>78 weeks) in 2022/23 despite significant emergency, urgent elective related pressure (in terms of demand and staff and patient restricted availability). The Trust reduced over 78 week waiters from 1070 March 2022, to 257 March 2023. The Trust is continuing to target long waiters in 2022/23 with plans to reduce over 65 week waiters to zero by March 2024.

NHS
University Hospitals Sussex
NHS Foundation Trust

Waiting List Size growth

- The Trust saw a 25% increase in its elective RTT waiting list size in 2022/23 to 128,876 waiters March-23. This is due to an imbalance in patient demand and available capacity, compounded by additional constraints relating to covid-19, emergency pressures, and industrial action.
- The Trust has plans to tackle this by increasing capacity to 107% of 2019/20 activity levels in 2023/24. This to be achieved by:-
    - increased productivity over and beyond 85% theatre and outpatient utilisation rates and reduction of DNAs (patients who do not attend) as part of the Trust's productivity and efficiency programme.
    - Outpatient transformation of pathways, including increased patient initiated follow ups, and increases in advice & guidance, which mitigate follow up capacity requirement, and reduce new outpatient demand respectively, as part of the trust elective care pathways improvement steering group.
    - Increased use of Community Diagnostic Centres in Southlands Hospital and Falmer.
    - Increased use of Independent Sector capacity

Cancer 62-day Performance

Constitutional Standards	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	21/22 YTD	22/23 YTD	Var	% Var	Trend
													Mar-23					
Cancer																		
62 Day Performance (following 2WR Referral)	56.9%	55.18%	59.34%	52.62%	57.83%	55.21%	60.50%	57.32%	54.7%	56.4%	48.9%	52.1%		60.8%	55.5%	-9.4%		
62 Day Performance (National)	67.4%	65.2%	61.5%	59.9%	61.6%	61.91%	60.49%	60.29%	61.0%	61.8%	54.4%	58.2%		68.8%	60.6%	-8.4%		
FDS 28 day Performance	69.8%	71.5%	69.8%	68.1%	69.4%	66.79%	62.99%	62.21%	65.38%	66.20%	59.16%	74.24%		66.3%	66.9%	0.6%		
FDS National	73.1%	70.8%	70.8%	70.4%	71.1%	69.46%	67.22%	68.55%	69.68%	70.70%	66.99%	75.0%		72.0%	70.1%	-1.9%		
>62 Day prospective waits*	389	389	459	458	467	543	617	452	378	462	481	331	325	389	325	-63		
>104 week prospective waits*	95	78	86	90	103	127	123	99	98	100	115	94	95	95	95	13		
2ww	80.6%	73.97%	81.45%	70.29%	62.06%	62.56%	61.71%	73.20%	74.90%	69.18%	72.46%	86.2%		76.0%	71.64%	-4.3%		
2ww Breast	27.0%	52.28%	82.83%	40.39%	13.67%	21.17%	21.05%	24.13%	19.06%	14.18%	28.38%	59.1%		51.5%	34.21%	-17.3%		
31 day surg	81.8%	78.13%	70.00%	80.56%	75.00%	77.78%	67.65%	89.19%	84.44%	77.50%	69.70%	85.4%		85.1%	77.76%	-7.4%		
31 day drug	96.2%	100.00%	100.00%	99.03%	98.78%	96.94%	98.15%	99.07%	93.58%	98.91%	99.05%	97.9%		99.3%	98.31%	-1.0%		
31 Day - First	93.4%	93.47%	91.87%	92.72%	90.41%	89.95%	91.01%	90.05%	89.73%	92.76%	84.56%	90.5%		91.4%	90.64%	-0.8%		
31 Day - Radiotherapy	95.0%	97.69%	89.50%	85.96%	83.93%	68.52%	77.19%	74.29%	71.01%	69.03%	84.50%	85.5%		98.2%	80.65%	-17.5%		
62 Day - Screening	72.3%	90.00%	81.58%	74.70%	52.13%	72.73%	64.47%	57.83%	38.46%	64.41%	33.73%	48.0%		70.4%	61.64%	-8.8%		
62 Day - Upgrade	68.2%	81.03%	66.10%	67.59%	60.95%	61.32%	62.90%	55.67%	66.06%	67.35%	70.83%	64.6%		70.6%	65.85%	-4.7%		

Cancer 62-day performance was 55.5% (to February 2023) compared to 60.8% the preceding year.

Over 62 Day prospective waits fell from 389 March 2022 to 325 March 2023.

The Trust saw an improvement to March 2023 for the Faster Day 28 Day Standard to 74.2%.

A focus on improving the waiting times for diagnostics, in a safe environment, and optimised FIT pathway for colorectal will also contribute to the improvement in this standard.

Diagnostic 6-week waiters

Constitutional Standards — Mar-23

Diagnostics	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	21/22 YTD	22/23 YTD	Var	% Var	Trend
6 Week Performance UHS	26.0%	27.7%	25.2%	25.0%	26.8%	29.5%	29.6%	27.2%	27.3%	37.6%	35.2%	26.2%	22.3%	26.0%	22.3%	-3.7%		
6 Week Performance England	24.8%	28.4%	26.00%	27.48%	27.9%	30.5%	29.8%	27.5%	26.9%	31.3%	30.8%	25.1%		24.8%	25.1%	0.3%		
6 week backlog	4,930	4,964	4,630	4,571	4,953	5,523	5,696	5,346	5,327	6,678	6,211	4,995	4,591	4930	4591	-339	-6.9%	
Waiting List size	18,973	17,914	18,340	18,292	18,475	18,724	19,242	19,643	19,534	17,781	17,664	19,047	20,629	18973	20629	1656	8.7%	
Activity	36,149	32,558	36,203	33,564	33,073	34,327	34,132	34,229	39,168	30,338	32,845	31,646	35,011	32986	35011	2025	6.1%	

Trust performance for patients waiting >6 weeks for a diagnostic test improved in 2022/23 from 26.0% March-22 to 22.3% March 2023. This is 3% lower than the National average of 25.1% February 2023.

The Trust observed significant capacity pressures in echocardiography in year due to staff vacancies and demand pressures, but has begun recovery in quarter 4, with additional recruitment. The Trust undertook 6.5% more activity than in 2019/20 pre pandemic.

The waiting list for diagnostic tests grew by 1656 (8.7%) from March 2022 to March 2023.

The Trust is continuing to work closely with most challenged modalities in 2023/24 to improve performance to operating framework aims of <5% by March 2024. This is supported with system plans to further develop community diagnostic centres which will provide additional capacity to meet demand for our catchment population.

Developments in 2023/24

The Trust is continuing the roll-out of outpatient transformation projects in 2023/24, which target new pathways of care such as patient initiated follow ups (PIFU), e-referral systems, and virtual wards.

The Trust with ICS system is continuing review of inequalities, relating to access. This will be developed further in 2023/24 with the clinical outcomes and effectiveness directorate.

Improving Data Quality

The Trust has developed a new Performance reporting suite in 2022/23 which will continue to be developed further in 2023/24. This will provide near real time reporting, greater visibility to empirically support decision making and

provide greater systematic rigour to improve data accuracy. This will be supplemented by re-introduction of kite mark measures to provide further data quality assurance.

1.3.6 Quality (Safe Care)

Quality Performance is reported to the Board through the Quality Committee through a maturing Quality Scorecard.

QUALITY SCORECARD - UHSussex		MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	YTD Actual	Trend
CLINICAL OUTOME & EFFECTIVENESS																
	Trust-wide mortality															
E04	Summary Hospital-level Mortality Indicator (SHMI) (rolling 12M)	109.0	109.0	112.9	112.7	112.3	111.3	111.4	111.9	110.2	111.6	111.6			111.6	
SAFETY																
	Safer staffing															
S36	Safer Staffing: Average fill rate - registered nurses / midwives (day shifts)	83.7%	85.4%	87.0%	83.9%	83.5%	84.2%	84.1%	84.3%	86.2%	84.3%	86.8%	88.0%	86.1%	85.3%	
S37	Safer Staffing: Average fill rate - registered nurses / midwives (night shifts)	87.3%	88.9%	90.3%	87.3%	84.6%	86.5%	85.4%	84.2%	87.6%	85.7%	88.7%	89.7%	87.3%	87.1%	
	Monitoring of clinical incidents															
S04	Total incidents	2409	2242	2355	2199	2471	2489	2481	2651	2565	2507	2427	2144	2453	28984	
S65	Incident Rate per 1000 bed days)	41.09	39.59	39.28	38.85	41.25	40.10	42.85	43.79	44.87	41.35	40.17	37.88	38.81	40.75	
	Reduce incidence of healthcare acquired infections															
S14	Number of hospital attributable MRSA cases (HOHA/COHA)	3	2	0	0	0	0	2	0	0	0	1	0	0	5	
S15	Number of hospital attributable C.diff cases (HOHA/COHA)	13	14	11	8	14	12	12	17	9	4	7	13	13	134	
S17	Number of hospital attributable E.coli cases (HOHA/COHA)	15	16	14	9	16	18	18	23	17	11	18	15	23	198	
	Reduce number of falls in hospital															
S21	Falls resulting in harm	95	95	89	99	94	108	93	86	91	79	118	98	108	1158	
	Pressure ulcers															
S49	Grade 2+ pressure ulcers	71	136	88	96	97	89	108	120	108	167	146	96	88	1339	
EXPERIENCE																
	Friends and Family Test															
X38	Friends and Family Recommend %: Inpatient	92.0%	92.7%	92.5%	91.5%	n/a	n/a	n/a	n/a	n/a	92.4%	93.1%	92.7%	92.4%	92.4%	
X39	Friends and Family Recommend %: A&E	74.5%	76.5%	75.9%	76.2%	75.3%	77.9%	80.8%	79.4%	77.8%	76.0%	88.9%	85.6%	84.5%	80.0%	
X41	Friends and Family Recommend %: Maternity	91.1%	92.9%	95.5%	81.9%	90.4%	91.6%	n/a	93.2%	95.0%	87.7%	97.8%	95.3%	100.0%	92.3%	
X44	Friends and Family Recommend %: Outpatient	95.4%	95.8%	95.1%	96.2%	n/a	n/a	n/a	n/a	n/a	94.8%	94.3%	94.7%	95.0%	94.9%	

Note that the national mortality data issued to March 2023 only covers the period to January 2023

Mortality

The Trust monitors mortality using crude mortality as the True North metric to monitor improvements in mortality, alongside the Hospital Standardised Mortality Ratio (HSMR) and Summary Hospital Mortality Indicator (SHMI).

Historically, the Trust had a low HSMR and a SHMI within the expected range. However, in the last year, the SHMI has risen especially at the Royal Sussex County (RSCH) and Princess Royal (PRH) Hospital sites. The high PRH SHMI conflicted with a consistently (very) low Crude Mortality rate at this site; external investigation (HEDS) has confirmed that the re-categorisation of Same Day Emergency Care activity since April 2020 contributed significantly to the observed rise in SHMI at PRH – which has since reduced to the levels seen at Worthing and SRH.

During 2022/23, previous issues relating the coding depth at both the RSCH and PRH sites (a consequence of remote working during the pandemic) were fully resolved. The return of the coding Teams to full on-site working has resulted in the depth of coding now being similar on all 4 acute sites.

The Divisions and Clinical Outcomes and Effectiveness Team triangulate mortality data with the outputs from its Learning from Deaths processes. This process captures learning from the work of the Medical Examiners who scrutinise all in hospital deaths and from the Structured Judgement Reviews undertaken by mortality reviewers where there are concerns. Themes of learning include the effective use of Treatment Escalation Plans and Do Not Attempt Cardio Pulmonary Resuscitation as well as the recognition of the deteriorating patient.

Safer Staffing

During 2022/23 the fill rate for registered nurses / midwifes ranged from 83.7% to 90.3% however whilst these fill rates are good to support safer staffing there are daily safety staffing huddles led by a senior nurse or matron to allow each hospital to deploy staff appropriately to respond to areas with higher acuity and patient needs.

There continues to be a national shortage of registered nurses and midwives, and the organisation has been successful in developing our workforce and has secured national funding based on past support provided to international registered nurses to bring in further international registered nurses. Proactive recruitment is well established securing newly qualified nurses into the organisation and we also saw across the year saw 24 newly qualified registered nurse associates some of whom will now go on to complete full registration.

Midwife recruitment on the Brighton site has improved in year significantly and there are an increased number of newly qualified midwives arriving later in 2023. Across the Trust workforce developments have supported the staffing of maternity units by utilising registered nurses releasing midwifes to concentrate on the areas of work that can only be delivered by them.

Work is being undertaken to improve the Trust's retention rates this includes encouraging and supporting retire and return, publicising opportunities within our own local population especially showing how people can start their careers at Health Care Assistants finishing as registered nurses.

We have invested in the educational opportunities to support our registered professional staff to further develop, an example being offering coaching to enable them to develop their resilience and leadership recognsing the impact the previous years' challenges of Covid has had on our staff. There is an emerging challenge with retaining some of our international recruits with a small proportion leaving giving feedback that they find the cost of living in the South East prohibitive to remain on the south coast.

The Trust has had significant success in the later part of the year in the recruitment of Health Care Assistants and we have where we have great candidates sought to recruit at higher levels as we recognise the value these bring to offering safer staffing levels at each of our hospitals. To support the retention and progression of the Health Care Assistants we have develop and

offer a dedicated apprenticeship programme to enable them to develop and remain with us.

Incidents

The Trust's records all reported incidents on its Datix system. Incidents recorded range from near misses, low, moderate severe harm and death. Between 01/04/2022 and 31/03/2023, 93 Serious Incidents have been reported on StEIS (Strategic Executive Information System) of which 3 have been downgraded = 90. This level of reported serious incidents is consistent with previous years reporting both pre and during pandemic. Further information on incidents and the Trust's processes from learning from these is recorded later in the annual report within the section on patient safety at 1.3.14.

Infection prevention and Control (IP&C)

Mandatory Surveillance data

Metrics for *C.difficile, E.coli, Pseudomonas aeruginosa, Klebsiella* species, MRSA and MSSA blood cultures are all reported to the national 'data capture system' (DCS) and are subject to specific targets.

All positive cases are assigned as follows:

- Hospital onset healthcare associated (HOHA): cases that are detected in the hospital two or more days after admission.
- Community onset healthcare associated (COHA): cases that occur in the community (or within two days of admission) when the patient has been an inpatient in the Trust reporting the case in the previous four weeks.
- Community onset indeterminate association (COIA)
- Community onset community associated (COCA)

Noting that HOHA and COHA cases are deemed to be attributable.

The Trust achieved the trajectory for C.difficile, but was above its set trajectory in the other 4 metrics; however when bench marked with data other Surrey and Sussex trusts using the denominator of 100,000 bed days the Trust is performing comparably well nationally. All trusts have been under considerable pressures in the last year with the ongoing pandemic, the backlog in waiting lists and the pressures on social care which has made discharge into the community difficult. The requirement for extra beds in wards, and the delays in discharge may all contribute to increased infection especially in frail elderly who may become deconditioned after prolonged hospitalisation. It should be noted that nationally the mandated trajectories have not been adjusted to account for the additional pressures on the NHS.

MRSA

There was a total of 6 cases of MRSA bacteraemia in 4 patients against a trajectory of zero. All cases were investigated seeking opportunities to learn to enhance our surveillance and screening processes.

E.COLI

The Trust had a total of 198 cases which is 40 over trajectory of 158. It should be noted however, that the rate per 100,000 bed days is the second lowest of all the acute hospitals in Sussex and Surrey. The timely clinical reviews for the E.coli cases were impacted by pressures on the team to deal with pandemic screening. A new system for clinical review has been developed for 2023/24 with input from the business intelligence team to facilitate easier data collection and analysis which will enable review of risk factors to identify areas for improvement.

Hydration is increasingly reported as an important factor in gram negative bacteraemia, and the Trust is involved with a Sussex wide project led by the ICB, to look at how hydration may be promoted to reduce bacteraemia.

Infection Prevention and Control Achievements

The year, 2022/23, has again been challenging due to the continued pressure from Covid-19. However significant progress was made in some of the key objectives established for the year these include:

- Auditing via the electronic 'Tendable' platform has now commenced.
- Surgical site surveillance has been established in cardiac and orthopaedic services at RSCH and PRH to complement work undertaken at WGH and SRH.
- Data collection has improved with production of an IPC monthly spreadsheet and development of a *PowerBI* reporting platform. This allows clearer understanding of trends.
- Ongoing work to simplify data entry using *PowerApps*. This will save nursing time being wasted in data collection, entry and transcription, freeing up clinical time.
- Restructuring of the IPC team across the trust to strengthen support into clinical environments and facilitate practice improvement is nearing completion with appointment into posts.
- Harmonisation of all trust IPC policies.
- Commissioning of Louisa Martindale Building and significant input into other building projects.

Infection Prevention and Control Assurance Framework

This national framework is used to assure University Hospitals Sussex board and our local ICB, of compliance with the Health and Social Care Act (2008) Key Lines of Enquiry, provides evidence of compliance, and acts as an improvement tool.

There are 10 Key lines of enquiry (KLOE) of which 6 have been assessed as fully compliant. 12 areas were rated amber needing further work. These cover 5 main themes as summarised below:

1. Ventilation requires further assessment and improvement across all Trust sites. Mitigations are in place and the new Louisa Martindale Building will bring a big improvement in ventilation standards.
2. Staff fit testing of filtering face piece masks (FFP3) to come 'in house' following the ceasing of the service provided by the Department of Health during the pandemic.
3. Work to mitigate the impact of continued extreme operational pressures on the ability to promptly isolate patients with infection side rooms and reduce patient moves. The new Louisa Martindale Building will have 60% single rooms which will reduce this risk.
4. Changes to the Occupational Health (OH) service provision is to improve effectiveness of staff health assessment and seasonal vaccination support.
5. Develop further antimicrobial pharmacist support to ensure sufficient trained pharmacists in all clinical areas to oversee effective prescribing practice.

Falls

A reduction in falls is one of the Trust's Harm Breakthrough objectives.

The Trust monitors its falls rate weekly and the Divisions receive details regarding the numbers and levels of harm. Each fall with moderate or above harm is reported via Datix and reviewed by the Serious Incident Group (SIRG) to ensure accurate grading and to advise on the level of investigation required.

Falls data and learning from After Action Reviews (AAR) is reviewed at the monthly Harm Free Care Group – which is a multidisciplinary group with Divisional representation.

The Trust has seen an increase in falls over the last year which reflects the increased number of number of patients admitted and the level of frailty patients are admitted with. The Emergency Floors at both Worthing General and St Richards Hospitals have accounted for a significant amount of this increase. Reduced staffing levels over the last year have impacted upon the number of falls.

The Trust has an ongoing falls reduction programme which is focusing on core interventions such as Hot debriefs post fall, After Action Reviews, "Baywatch" – continually manned bays of patients at risk and education on falls prevention. This is being supported by PFIS improvement teams and methodology and the Safer Care Nurse Specialists who maintain a strong focus in harm reduction.

Improvements achieved

- The establishment of a Harm Free Care group which meets monthly.
- Safer Care Nurse Specialists working across all sites.
- Baywatch embedded in a number of Elderly Care wards.
- Well attended multidisciplinary education session.
- Trust wide falls policy approved.

Further Improvements identified for 2023/24

- Falls training to be included in the annual mandatory clinical update.
- Continue to increase number of falls champions across our hospitals.
- A focus on Baywatch and the co-horting of patients at risk of falls.
- Improvements in falls risk assessments through the use of multidisciplinary teams.
- Introduction of thematic learning from falls with the introduction of a new Datix Incident reporting system.

Pressure Damage

A reduction in Hospital acquired Pressure Damage is one of the Trust's Harm Breakthrough objectives.

All pressure ulcers acquired whilst a patient is admitted are reported via the Trust's incident reporting system (Datix) and those graded 3 and above are reviewed by the Serious Incident Review Group and have an after action review to ascertain what can be learned to prevent reoccurrence.

Weekly pressure damage reports are issued to Divisions with monthly reports being presented at the Harm Free Care Group for discussion and learning. The Tissue Viability team have worked closely with the ward teams to provide education and advice on prevention strategies that have added to an overall reduction of hospital acquired pressure damage over the last year. Moisture associated skin damage and deep tissue injuries remain an area of focus for 2023/24

A standard approach to assessment of a patient's risk of developing pressure damage is being introduced on an electronic platform across all of our hospitals to avoid site differences in the tool that is used.

Improvements achieved

- Harm free care group meets monthly to review incidents and ensure learning is cascaded across the organisation.
- Delivery of pressure ulcer prevention education sessions on nursing and Health Care Assistant preceptorship programmes.
- Moisture awareness campaign delivered across all sites.

Further improvements identified

- Complete the roll out of consistent risk assessment tool across all the Trust's sites on 'Patientrack'.
- Participate in the Pressure Damage CQUIN for 2023/24 to monitor pressure damage risk assessing and care planning.
- Review all static mattresses purchasing across the organisation for opportunities to reduce patient risk.
- Develop a clinical photography service at Worthing and St Richards Hospitals for pressure damage triage and on-going review.

Patient Experience

In 2022 the Trust commissioned a new provider to deliver the Friends and Family Test (FFT) system across all sites, covering the four FFT 'touchpoints' of inpatients, outpatients, accident and emergency, and maternity. Due to the implementation of the new patient administration system there were a few months in 2022 when inpatient and outpatient data for two sites was unavailable, however the system is fully operational now and information us routinely reported to the Board Patient Committee.

The Trust receives approximately 12,000 survey responses each month. Positively, the percentage of respondents rating their care as good or very good was largely consistent throughout the year, with outpatient performance in line or above national averages and inpatient performance just slightly below this average. Maternity positivity ratings improved in the second half of 2022/23 reflecting the outcome improvement activity within the services. Following a challenging period for accident and emergency departments in late summer and into the autumn of 2022/23 when FFT performance was lower that our other touchpoints but in line with the national picture, performance improved considerably in the final quarter of the year. Priorities for improvement for 2023/24 include optimising the use of the system to inform areas for quality improvement and feedback across all divisions and specialties and our continuation to hone the divisional application of the system in line with the trust's new operational structures.

Further information on quality performance can be found in sections 1.3.14 - 1.3.16 of this report and within the Trust's Quality Account which can be found on the Trust's website.

1.3.7 Workforce

Workforce performance is reported to the Board through the People Committee. See the staff report at section 2.3 for the Trust's reported performance in respect of sickness, staff turnover, wellbeing, learning and development.

1.3.8 Financial Performance

The key highlights for the Trust's financial performance during the period from 1 April 2022 to 31 March 2023 were:

- Against a challenging operating environment, the Trust reported a deficit of £10,394k, which was £6k better that the £10.4m deficit agreed with the Sussex Integrated Care Board.
- Cost improvement programme savings of £42.0m.
- Expenditure on capital schemes of £117.6m, of which £30.0m was on the 3Ts new hospital development and £87.6m was on operational capital schemes including medical equipment, service developments and estates backlog maintenance. The capital programme was supported by the Trust's dedicated hospital charities, Love Your Hospital and BSUH Charity as well as our partner charities, including the League of Friends.

The Trust saved £42.0m by streamlining processes, improving productivity, smarter procurement and reducing waste.

As at the end of March 2023, the Trust is reporting a deficit of £10,394k after adjustment for impairments and donated assets as summarised in the table below.

Adjusted financial performance (control total basis):	***2022/23 £'000***
Deficit for the period	(60,839)
Remove impact of consolidating NHS charitable fund	950
Remove net impairments not scoring to the Departmental expenditure limit	48,449
Remove I&E impact of capital grants and donations	525
Adjusted financial performance (deficit) for the purpose of system achievement	(10,394)

Long-term liabilities

The affordability of long-term loans is considered by the Trust Board prior to approval. The increase is attributed to the implementation of IFRS 16 from 1 April 2022 recognising Right of Use assets. This accounting standard brings onto the balance sheet the exposure of the Trust from agreements previously accounted for as operating leases under IAS 17. Further information on the Trust's long-term borrowings is available within Note 34 to the accounts.

Financial outlook

The Trust has submitted a breakeven plan for 2023/24 to NHSE on 4 May 2023. This includes an efficiency requirement of £62.0m. Additional funding will be made available for the pay award which has recently been announced. Funding for Elective Services Recovery (ERF) is earned by delivering above 100% of the 2019/20 activity baseline.

NHS
University Hospitals Sussex
NHS Foundation Trust

Summary

From a financial perspective 2022/23 was a challenging year with the Trust achieving its True North objective of 'delivering high quality healthcare in a sustainable way' by achieving the agreed deficit for the year.

Going concern

The annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

With regards the going concern conclusion for the wider group, the cost of living crisis has had an impact on the donations received by the charities (Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity). As grant making charities, with few on-going commitments, this will impact on the new grants that can be made in the short term rather than affecting the respective charities ability to continue as a going concern.

As at 1 April 2023, Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity merged to form My University Hospitals Charity.

Pharm@Sea has performed consistently and responded to the challenges of service delivery over the last 12 months. The subsidiary has remained profitable during 2022/23 and has an ongoing service level agreement with the Trust for the dispensing of drugs. The directors are confident over the ability of the company to continue as a going concern.

Other financial information

Accounting policies for pensions and other retirement benefits are set out in Note 1.6 Employee Benefits.

Details of senior employees' remuneration can be found within the Remuneration Report.

There have been no Post balance sheet events.

The Trust spent £Nil on external consultancy services in 2022/23.

Note 42 to the accounts sets out, in relation to the financial instruments, an indication of the financial risk management objectives and policies of the Trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, where material for the assessment of the assets, liabilities, financial position and results of the Trust.

1.3.9 Efficiency programme delivery

Quality-led improvement is a key priority for University Hospitals Sussex, supporting the NHS Long Term Plan to develop workforce, technology and innovation-led efficiencies. Improvements to patient experience, including safety and effectiveness, mean we can deliver consistent high-quality care in more cost-effective ways, improving the flow of patients through our hospitals. Post Covid-19 the efficiency programme fully returned to standard process, timescales, and target values. Overall, the Trust delivered £42.0m efficiency improvements against the plan of £47.7m.

The Cost Reduction and Productivity element of the plan delivered £25.5m against a plan of £31.1m. This included £12.7m Pay savings (which contributed significantly to the Trust's breakthrough objective on premium pay spend), £12.5m Non-Pay savings and £253k Income improvement.
The schemes with the largest delivery challenges related to length of stay reduction benefit (£2.4m shortfall), Dermatology productivity improvement (£1m) and reducing consultant premium pay spend in Medicine Worthing, SRH, Southlands division (£1.2m).

There was significant focus within the Trust on progressing the restore and recover programme for elective activity. As part of this opportunities for improvements in productivity, largely through restored and increased activity, was included as an element of the delivery plan.

There was successful delivery of a range of improvements contributing £6.7m of recurrent benefit. The most significant contributors to this benefit included:

- Cancer division - £1.8m across schemes including radiotherapy and chemotherapy productivity improvements.
- Specialist division - £2.2m across Planned Investigation Unit productivity, and increasing use of nurse-led clinics (particularly in MS services).
- Surgery Divisions - £730k benefit from endoscopy list optimisation, MDT improvements, and a range of pathway changes including reduction of unnecessary colonoscopies.

The Procurement team worked with Divisions to deliver cash-releasing non-pay savings of £1.95m, and a further benefit of £2.3m through cost avoidance.

During 2023/24, the Trust plans to deliver an Efficiency Programme of £62m. This year's plan will focus largely on cost reduction and thereby the restoration of 19/20 productivity levels. A particular focus will be given to

reducing the use of premium pay spend, including to ensure meeting the requirement cap of agency spend being no more than 3.7% of the pay bill. Premium workforce savings will be enabled by plans to reduce escalation bed usage and facilitated by development of a standard system for medical job planning and e-rostering as part of the medical workforce systems Corporate Project.

The Trust will continue to focus on workforce diversification, developing skills across nursing and allied healthcare professions to streamline processes and mitigate the impact of medical workforce challenges.

The new Clinical Operating Model has been operational for approximately 9 months and there continue to be opportunities arising from an increased scale of working at University Hospitals Sussex level and aligning pathways and practices.

The Louisa Martindale building, part of the 3Ts Strategic Initiative, opened in June 2023 and the benefits associated with the new building, captured through associated business cases, have been incorporated into relevant efficiency plans. Other business cases approved in the last 2 years have also been reviewed to ensure that efficiency benefits are captured and reflected in this year's plan.

Increased income for additional activity may be an opportunity only if and when the 19/20 level of activity and spend is secured and exceeded. This will be achieved through a focus on efficiency and utilisation of theatre and outpatient capacity as part of the sustainability breakthrough objective.

All schemes are subject to rigorous quality and safety checks to ensure quality standards are maintained or improved. Full Quality Impact Assessments have been undertaken for the final residual Covid expenditure in order to plan a complete and safe exit of these costs. Quality impact assessments for each scheme are developed by staff working in the relevant areas and signed off at executive level before implementation.

1.3.10 Our Capital Plan

The planning and prioritisation that goes into agreeing the Trusts annual capital investment programme follows an extensive engagement process with clinical divisions and corporate directorates. Development of the plan is overseen by the Executive led Capital Investment Group, which makes a recommendation to Trust Board for approval at the start of each financial year.

The capital plan represented a significant spending programme, with a wide range of investments in our clinical priorities, major medical equipment, other medical devices, backlog maintenance in our hospital estate and implementation of our digital strategy as well as other IM&T infrastructure and systems.

Working with our system partners at the ICB, we have ensured that major projects have taken place at all our hospital sites, with every clinical division and corporate functions benefiting hugely from the investments made.

By the end of 2022/23, two hundred and thirty-three (233) investments totalling just over £117.6m have been successfully delivered. This was a significant achievement given the operational challenges, which have persisted following the pandemic.

The programme is divided into two elements. Strategic capital of £29.5m associated with delivery of the Louisa Martindale Building (LMB) and developing the next Stages of the 'New Hospital Programme' at the Royal Sussex County Hospital. In addition, operational capital investments of £61m and NHSE funded projects of almost £23m have also been made. These investments include, but are not limited to:

- New Endoscopy facilities at Princess Royal Hospital (£18.5m over 2-years); A Community Diagnostics Centre (CDC) at Southlands hospital (£14.6m over 2-years);
- Phase 1 of the Emergency Department and Acute Floor redevelopment project at the Royal Sussex County hospital (£48m over 4 years);
- Investments in our digital strategy and other IM&T infrastructure and systems, including Minimum Digital Foundations, LIMS and PAS systems (£22.5m);
- Major medical equipment purchases in most of our hospitals, but notably thirteen new items including MRI, CT's SPECT CT scanners for the new LMB, and MRI, CT scanners for our new CDC at Southlands hospital;
- Completion of our new central laundry facilities at St Richards hospital (£3.0m);
- Completion of the new Medical Day-Case Unit at Worthing hospital (£3.7m);
- Year 2 of a new Urology Investigation Unit at Princess Royal hospital (£4.6m);
- Relocation of our Brighton based Paediatric Audiology service into the Royal Alex Childrens hospital (£2.6m);
- A phased replacement of endoscopy scopes at Worthing hospital (£2.1m);
- Replacement of more than 100 items of critical medical equipment (£10.3m) and
- Backlog maintenance improvements in the Trusts estate (£7.0m).

The Trust charities, and partner charities, also made a significant contribution funding 41 investments totalling £843k.

The new Louisa Martindale Building is part of the government's 'New Hospital programme' and is the first of three phases to redevelopment the Royal Sussex County hospital. This first and largest stage of the programme includes medical wards with a greater proportion of single rooms, expanded facilities for Critical Care and Neurosciences and facilities to support improved

training and education. The new building has been handed over by the contractor (Laing O'Rourke) with plans to relocate services well advanced. The move to the new facilities is a complex programme of work but is expected to happen as soon as final operational readiness plans are in place.

The second phase (Stage 2) will be built on the site of the Barry building and replace the current cancer centre building with a new state of the art Sussex Cancer Centre, incorporating the newest technology, designs and expanded radiotherapy, Outpatient and Daycase facilities. The final phase (Stage 3) will provide areas for materials management, waste management and a logistics centre for the hospital.

1.3.11 Environmental Sustainability

At University Hospitals Sussex, we are committed to supporting the NHS become the world's first net zero health service. In February 2023 we celebrated our second UHSussex Environment Week, marking the first anniversary of our Patient First, Planet First Green Plan. During the week we looked back on how far we've come, our focus areas looking ahead, and the ways staff and the public can support our aim to reach Net Zero by 2040.

Our Green Plan was developed in response to the climate crisis and sets out our commitment to reduce our NHS carbon footprint to Net Zero by 2040 (based on emissions we control). We have also committed to reduce our carbon footprint plus (carbon emissions we influence) to Net Zero by 2045.

Since we launched the plan, we have made great inroads to achieving our long-term goals, through the efforts of our 10 workstreams led by UHSussex colleagues. A summary of which is provided below:

Clinical: developing and enabling lower carbon, more sustainable models of care and reducing the impacts of medicines.

- "Gloves-Off" campaign targeting unnecessary glove use. Launched during Environment Week with workshops and guest speakers and a bespoke infographic for usage Trust Wide.
- Received Healthy Future Action Funding for reducing environmental impact in local anaesthetic tympanoplasty (Head & Neck procedure).
- Took part in the national Mobility Aid amnesty in October, the learnings of which helped direct our own pilot scheme.
- Utilising our inhouse SSD to pillow reusable instruments such as suture kits.
- Switching to reusable medical equipment such as tourniquets.

The year ahead:

- Two green clinical fellows will be joining us to drive projects and embed sustainable healthcare principles into our day to day.

- We are excited to build on reusables work through the formation of a circular economy working group.
- The launch of a mobility aid reuse pilot scheme in ED, Brighton.
- Educating and upskilling all clinical staff and AHPs through regular themed engagement sessions seeking guest speakers where possible.

Buildings and Utilities: ensuring our workplaces are low carbon and protect local biodiversity whilst supporting wellbeing for staff, patients, and visitors.

- Developed heat decarbonisation plans (HDP) for St Richard's, 135 Park View, Princess Royal and Southlands. The Plans were funded through a successful bid to the Low Carbon Skills Fund and outline strategies for how fossil fuel-based plant can be phased out and replaced by low carbon heating over time to support our Net Zero 2040 target.
- The refurbished laundry to a state-of-the-art facility at St Richard's has been providing efficiencies in water, gas and electricity consumption through the modern refurbishment resulting in carbon savings of 120 tonnes CO2e since reopening.
- Collaboration with Worthing Borough Council on their pioneering heat network project which proposes to provide low carbon heat to Worthing Civic Quarter.

The year ahead:

- Further collaboration with our Capital Development team ensuring Net Zero and BREEAM are incorporated into developments including the new hospital build and Acute Floor Redesign in Brighton.
- Transposing findings of the HDPs into a strategy for demand reduction and decarbonisation of our estate.
- Establish route to connectivity to the Worthing Heat Network including necessary enabling works to the Worthing Hospital estate.
- Expanding the work of our Gardens Group to provide a Therapies Garden in Worthing, enabling patients to a secure outdoor space, and further enhancing and extending access to gardens for staff, visitors, and patients across the Trust.

Travel and Transport: ensuring the travel and transport needed between our care and our communities is low cost, low carbon and conducive to good health and wellbeing.

- Extension of our Green Travel Bureau to provide services and support to staff across the entire Trust on sustainable and active travel options.
- Relaunch of highly popular Travel Roadshows including attendance from local transport representatives (local authority and bus companies).

- Provided Dr Bike service and repair to our staff.
- Received Healthy Future Action Funding to support the installation of bike maintenance pods across our sites, allowing staff to carry out simple fixes to their bikes and upskilling of our Green Travel Bureau to be able to provide more complex maintenance support in house.
- Providing charging points for electric bikes within our secure storage facilities.
- Installation of secure cycle storage at Southlands Hospital in Shoreham
- Improving the infrastructure for staff that own electrical vehicles through the installation of EV charging points across our sites.

The year ahead:

- Further improvements to our cyclist provisions on site including further secure storage, charging points and showers. All identified with the support of our Green Ambassador cycle group.
- Further engagement with our community partners on transport initiatives including car sharing and bike facilities.
- Further expansion to the secure cycle storage facilities across our other sites with the support of the Trust Charity.

Reduce, Reuse Recycle: delivering against the waste hierarchy.

- Delivery of local level training by our waste managers which has helped to see a 3% increase in waste segregation compliance across all sites.
- Continued increase in recycling across all sites with streams now including dried mixed recycling, confidential waste, cardboard, paper, glass, food waste, metals, green waste, WEEE, batteries, pallets, and tin.
- Delivery of 240 recycling stations for the Louisa Martindale building. These will be used as a model for the rest of the organisation.

The year ahead:

- Further implementation of waste strategy. Reviewing contracts and managing waste streams differently to reach our target to increase recycling to 50%
- Working with Green Ambassadors to be champions of appropriate waste management
- In partnership with procurement to develop contractual requirements and a Reuse catalogue for recycling furniture

Food, Catering and Nutrition: providing a sustainable catering service for our staff, patients and visitors that supports the health of our population, our environment, and our supply chains.

- Reviewed our menus and swapped 4 dishes for lower carbon alternatives and increased our plant-based options. Reducing the

carbon footprint of our patient catering carbon footprint by over 30 tonnes CO2e per year.
- Supporting the procurement team in ensuring the retail partners in the Louisa Martindale building are aligned to the Trusts green strategy.
- Promoted reusable cutlery usage by providing staff with reusable Spork cases as part of Environment Week.

The year ahead:
- Utilise learning from the Louisa Martindale Building procurement to develop a Trust wide sustainable approach to retail catering.

Staff Wellbeing and Engagement: empowering and engaging our people to embrace change and help us achieve net zero.

Environment Week was held in February with the principle aims to.
- ***Celebrate*** - Share achievements and demonstrate progress of the green plan,
- ***Educate*** - Outline the key ambitions of the green plan and build support,
- ***Involve*** - Engage staff and stakeholders through clear call to action messages.

Events and Activities included.

- Relaunch of Travel roadshows – with guests from local partner organisations and procurement team. Approx 150 colleagues attended Royal Sussex County Hospital and Worthing Hospital. Subsequent roadshows have also taken place in Princess Royal and St Richards Hospitals.
- Bike maintenance and security services marking available.
- Free breakfast/lunch for cyclists.
- Clinical “gloves off” discussion with expert speakers (recording to be shared). Approx 40 attendees at the live event.
- Green quiz competition – securing some 240 entries.
- Pledge prize drawer – with some 183 pledges shared at roadshows and by email.

The year ahead:
- Launch of our Green ambassador led energy monitoring and behavioural change project.
- Developing our provision of carbon literacy training.
- Increasing the way, we engage and educate new starters in our Sustainability commitments through attendance of the staff induction marketplace.

Supply Chain and Procurement: respecting our health and natural resources by creating an ethical and circular supply chain.

- Design, develop and roll-out an effective Environmental Social Governance program led by procurement across the Trust.
- Create a circular economy strategy to mitigate carbon footprint of products used in resource-intensive areas such as surgical operating rooms.
- Agree on a carbon baseline (and method) for the top 5 common operations/biggest contributors (hotspots).
- Included a scored sustainability section in the procurement of our retail and catering outlets in the new Louisa Martindale building. Allowing us to secure retail partners that align with the Trusts commitments.
- Collaboration with colleagues in the green clinical workstream to explore alternative and lower carbon products.

The year ahead

- Development of a supplier engagement strategy to enable us to meet the first 2025 milestone.
- Upskilling and education of stakeholders to ensure EDG initiatives such as circular economy in embedded in service design stages.

Digital Transformation: providing digital support and innovation to enable the decarbonisation of our clinical and nonclinical services.

- Ongoing exploration and investment of alternative digital solutions for staff and patients, from electronic prescribing (EPMA), to Patientrack, Ordercomms, Careflow Connect, and My Health and Care Record (MHCR powered by Patients Know Best all of which deliver carbon savings as well as resource efficiencies through reduced paper usage.
- The implementation of Synertec digital system reduces paper use and associated carbon emissions of around 26 tonnes per year.
- Reams and reams of paper and other printing resources have been saved by the introduction of ‘Order Comms’ for radiology and pathology referrals; the Electronic Prescription and Medication Administration (EPMA) system trust-wide; and by digitising scores of other forms and referrals.
- Nearly two thirds of the IT equipment disposed by the Trust is re-used, while virtually everything else is recycled – ensuring they meet key ISO codes and other international standards.
- Over 200,000 UHSussex patients are signed up to the My Health and Care Record (MHCR) online service that enables them to access health information and clinic letters from their phone and other devices. MHCR is much better for the environment, with analysis showing that a message to the app produces around 4 grams of CO2 compared to 29 grams produced for every paper letter sent.

The year ahead:

- Continued progress against our digital transformation roadmap comprising two core elements that drive the moving away from paper to a Digital solution; an EDMS (Electronic Document Management System) and a Clinical eNoting solution is one element of the wider nationally mandated minimum digital foundations programme.

 **Climate Adaption:** building resilience to our changing climate and adapting our services to mitigate risk.

- Utilisation of the regionally funded Climate Impact Assessment to understand the risks posing our sites and community. Working with colleagues in emergency planning, estates, business continuity and capital to embed these risks in future planning and decision making.

 **Partnerships and Collaboration:** enhancing our impact by working with others.

- Ongoing engagement and participation in the Integrated Care Board (ICB) Together to Zero plan and steering board. Ensuring the sharing of best practice with neighbouring Trusts.
- Engagement with local business to source prizes for our Environment Week competitions.

1.3.12 Statement on equality and equity of access

University Hospitals Sussex is committed to offering services that are equitable and provide equality of access. As part of this commitment the Trust within its service change and business case process undertakes a review on the equality and equity of access as part of the needs assessment and associated service configuration processes. The Trust as lead for the Sussex Acute Collaborative Network within the Sussex ICS plays an active role with Sussex ICS who, in accordance with Operating Framework 2022/23 are embarking on a programme of work to review equity of access by geographic and demographic profile of the Trust catchment populations, with the aim to build stronger and more collaborative strategies to address health inequalities.

Hearing and responding to the voice of our patients is integral to how we make improvements and pathway changes to our services. Patient feedback from a range of sources such as the Friends and Family Test, compliments and complaints provide a wealth of information that gives us insight into what is important to our patients. We draw on this when undertaking continuous

improvement as well as engaging directly with key patient and stakeholders where this is indicated.

We also take into account what our patients and the public have told us in our merger survey, where patients raised concerns for example about impact on travel times, difficulty accessing services locally and longer waiting times, as well as hopes, including better care, centres of excellence and equal care available on all sites.

Our lean improvement methodology provides a rigorous approach to capturing and acting on what matters to patients, staff and other stakeholders. It ensures that improvement starts from the customers' point of view and allows us to turn customer comments or feedback into measurable outcomes that we can then monitor to ensure that services are better for patients.

We are also integral to the delivery of our Integrated Care System's (ICS) CORE20 plus 5 programme which aims to reduce health inequalities. This programme works with those who are within the 20% most deprived of our national population and allows the ICS to target five additional patient groups who experience poorer health outcomes. As part of the work relating to the five additional patient groups, the Trust particularly focusses on health inequalities relating to maternity care, chronic respiratory disease and early cancer diagnosis.

1.3.13 Health Equalities

Health inequalities has been an increased focus for the Trust through 2022/23. Inequalities in health are the systematic, avoidable and unfair differences in health arising from multiple factors including the social and economic environments in which we live and influenced by the decisions we make for ourselves and our families.

People living in more deprived areas are more likely to experience poor health, shorter life expectancy and less good access to health and care services due in part to poor housing, lower incomes, and lower health literacy (knowing how to understand and navigate the health and care system). Despite being a relatively affluent county, within Sussex there are pockets of significant social deprivation, notably along the coastal strip in Hastings, Brighton and Hove and Littlehampton, which rank within the most deprived areas in England.

Our population is ageing but those from more deprived neighbourhoods are spending increasingly more time in ill health and people are developing multiple long-term conditions at younger ages than before. In Brighton and Hove there are more adults with Multiple Long-Term Conditions (MLTCs) than average. West Sussex has an older age structure and life expectancy has increased in comparison to other areas however it is still up to 7.6 years less for men in areas of deprivation and there are over 70,000 people living in poverty, including nearly 17,000 children.

The impact on life expectancy is stark in Brighton city where there is a gap in life expectancy of 10 years in men and six years in women between the most and least disadvantaged areas. People from BAME communities are also more likely to experience poor health and barriers to services as are those with learning disabilities or mental ill health.

The NHS Long Term Plan (2019) has highlighted the need to take a concerted and systematic approach to reducing health inequalities and addressing the unwarranted variations in care that arise. The COVID-19 pandemic acutely highlighted how marginalised groups were adversely impacted and the Equality, Diversity & Inclusion agenda is of great importance to the Trust. Inclusion is one of the Trust's values and University Hospitals Sussex has a number of services and functions with a health inequalities focus, with Trust-wide strategic responsibility under the Chief Medical Officer. There is an Equality, Diversity and Inclusion team within the People Services and the Patient Experience teams in the Chief Nurse services include a focus on engagement with an inequalities lens.

Progress has been made this year in understanding and addressing inequalities in access and outcomes for our patients. This includes:

- Analysing our waiting list population and stratifying patients according to characteristics such as deprivation and ethnicity to understand what inequalities are evident.
- Connecting as an active partner in the Sussex Health and Care Partnership's population health management work and delivery of the national 'Core 20 plus 5' programme to reduce inequalities.
- Quarterly patient experience reports include a review of patient feedback linked to protected characteristics, with the resulting actions taken being reported to the appropriate Trust committees.
- New 'Welcome Standards' aimed at improving customer service have been piloted, with an emphasis on inclusion.
- Access to patient feedback has been enabled via the new Friends and Family Test system, with a word and comment search function so that all service areas can understand what patients have to say about their experience, including those for whom their experience was perceived to have been influenced by a characteristic such as disability or gender.
- Close work continues with local Healthwatch organisations, including hearing the voice of less heard groups. This is at the heart of the patient experience strategy, launched in 2022, with examples including a recent Healthwatch report on the experiences of LGBTQ+ end of life patients.
- A new accessible information policy was published in 2022. Linked to this hundreds of patient information leaflets have been produced about specific conditions which are fully accessible and published on the trust website, which is available in multiple languages and formats.

The Trust will build on this progress in 2023/24. The plans include further engagement of less heard groups in major developments such as stage 2 of the 3Ts programme and the redevelopment of the emergency department.

In line with the Healthcare Inequalities Priorities for Systems and Providers produced by NHSE, the Trust will also engage in restoring NHS inclusively. This will include working towards comprehensive & robust data collection to enable reporting to be broken down by ethnicity and deprivation for under-utilisation of services (proportion of cancelled appointments), waiting lists and late cancer presentations. There is also a need to focus on mitigating against digital exclusion for patients who cannot use remote services.

Taking opportunities to engage with patients during hospital visits to address health promotion such as stopping smoking, weight loss and alcohol management (Making Every Contact Count) also contributes to reducing inequalities in our local population. Ensuring clinical teams are enabled to confidently deliver such messaging is an important part of embedding a collaborative approach to tackling health inequalities in a hospital setting.

Furthermore, the Trust has an embedded Patient First Improvement System (PFIS) which has Trust-wide influence and structures to shape evidence-based improvement across services and divisions. This provides an opportunity to lever the influence of the PFIS approach on behaviours and prioritisation across the Trust to strengthen the impact on addressing inequalities.

1.3.14 Patient Care

Care Quality Commission standards

The CQC undertook a number of service inspections across the Trust. These inspections included Maternity services across each of the Trust's four main sites, General Surgery at Royal Sussex County Hospital, the Emergency Department at the Royal Sussex County Hospital Royal Children's Hospital and Neurosurgery at the Royal Sussex County Hospital.

The CQC undertook a Well Led inspection in October 2022 and issued its report in May 2023 recording an inadequate rating overall for this domain.

Based on these inspections the Trust has been given an overall rating of requires improvement.

The CQC well led report made 13 recommendations, 8 categorised as must do and 5 categorised as should do. The must do actions cover three areas:

- supporting staff to speak up and to take swift action based on this feedback;
- improve the medical staffing levels within surgery and
- make improvements based on the Trust's Workforce Race Equality Standards information.

Whilst the Maternity inspections initially resulted in a warning notice the Trust addressed the matters in line with the CQC expectations and this warning notice lapsed following a reinspection in 2022.

The inspection of General Surgery resulted in a warning notice for which action has been taken and at the end of 2023 the increased information reporting requirements within this warning notice were withdrawn. The Trust received an enforcement notice in relation to Upper GI Cancer Surgery where the Trust has a restriction on its registration in respect of the provision of specific surgical procedures and is working with the CQC to ensure the resumption of this service as soon as possible.

Each of these service inspections resulted in a number of improvement actions with oversight of the service improvements provided by the Board and its Quality Committee. The oversight of the specific improvement plan for well led domain has been retained by the Board itself.

The Trust has reported its progress against its improvement actions to the Integrated Care Board and to the CQC, as noted above the delivery of the actions has seen the CQC remove the warning notice in respect of Maternity Services.

The Trust has not participated in any special reviews or investigations by the CQC during the reporting period. However, the Trust has continued to engage with the CQC has sought to understand our services and provide insights for any improvement.

The Trust also continues to monitor performance against CQC standards through its governance systems and processes. Patient experience concerns and complaints are monitored by the Trust's PALS and patient experience teams, patient safety incident data is recorded, monitored and actioned by the electronic incident and reporting systems. Thematic reviews are completed following the reporting and investigation of any serious incident.

University Hospitals Sussex NHS Foundation Trust is compliant with the registration requirements of the Care Quality Commission (CQC).

How we learn

We have robust systems in place for reviewing incidents, complaints, mortality reviews and inquests within our clinical divisions. Each clinical division has a clinical governance lead to coordinate this activity and help the divisions to track and complete the actions arising out of each of these areas. The divisions also use safety huddles, the "Theme of The Week", Patient Story newsletters and staff meetings to help communicate changes made in response to learning.

The weekly Serious Incident Review Group (SIRG) reviews all reported unexpected deaths and new incidents (graded moderate/severe harm and/or near miss on RL DATIX IQ).

The group also reviews newly reported high-grade complaints, findings from SJR's and safeguarding alerts to ascertain whether they require conversion to incident investigation.

Using a senior multidisciplinary approach, the panel/group agree the appropriate level/grading of harm and the appropriate investigation/escalation level.

When harm occurs, talking to the person affected or their family/carer provides crucial context to any investigation. We continue to develop and encourage an open and honest approach to supporting patients who have been harmed, or their families, as candour and transparency are our core values. In 2022/23 the Trust remains 96.5% compliant in the Health & Social Care Act – Regulation 20 – Duty of Candour.

Between 01/04/2021 and 31/03/2022, 93 Serious Incidents have been reported on StEIS (Strategic Executive Information System), 44 at UHSussex West and 46 at UHSussex East (3 have since been downgraded by the Sussex Integrated Care Board= 90 confirmed Serious Incidents. This is consistent with previous years reporting both pre and during pandemic.

Learning from incidents

The Trust Patient Safety Team is currently undertaking an improvement project regarding the Datix incident reporting system. The improvement programme has taken three years to plan and has involved a variety of stakeholder feedback methods and engagement / training days. The revised system commenced with the implementation of a new Trust Risk Register in 2022. This upgraded system will enable the Trust to analyse safety themes and data more effectively, developing safety dashboards enabling robust business intelligence reporting with a shared learning and solution focused model of care.

With the publication of the NHS Patient Safety Incident Response Framework 2022 a patient safety revised training programme is planned for 2022/223 with an annual training programme under development.

Responding to Complaints

Our Patient Advice and Liaison Services (PALS) are usually the first port of call for anyone who has a problem they need the Trust to look into or resolve. PALS staff are able to offer advice on how and where to complain, investigate concerns and help bring resolution if things have gone wrong. Our complaints managers investigate more complex concerns that require a formal investigation about past events.

Whilst PALS teams have remained site-based through 2022/23, complaints managers have formed a central team to support close and effective working with the clinical divisions.

Some key figures are as follows:

- Throughout 2022/23 the Trust has received an average of 1,000 concerns a month which are managed by PALS and 120 complaints a month, managed by a central complaints team.
- Throughout the year, the average number of concerns and complaints per month have fluctuated, with increases during the summer of 2022 and in March 2023. The overall trajectory for PALS contacts is for increasing numbers of concerns received.
- In the last six months of 2023/23, more complaints were closed than opened, with the highest number of complaints received in medicine and surgery divisions.

The main drivers of concerns and complaints are:

- Delays and waiting for care.
- Communication, including accessing information from clinical teams and how patients are informed about their care.
- Clinical treatment.
- Discharge.

Throughout 2022/23 there were an increased number of patients raising concerns about corridor care and a perception that discharge from hospital took place too early, compared on the previous year.

1.3.15 Quality improvement

Our continuing focus on quality improvement was a major factor in the Care Quality Commission's assessment of the Trust as an Outstanding healthcare organisation.

Continuous improvement is a key strand of the philosophy behind our Patient First programme.

Our Quality goals are aligned to our True Norths, in which our improvement efforts can have the strongest positive effect on outcomes and experiences for patients.

Below is a summary of the Trust's two key quality improvement programmes for 2022/23:

Avoiding harm: Falls prevention

Falls are a significant cause of patient harm in our hospitals and in 2022/23 the important work of reviewing and aligning the Trust falls policy and prevention interventions from our legacy organisations was commenced led via a new Trust-wide harm Free Care Group. Teams have continued to work to implement the successful principles that we know can help to reduce falls in hospital.

Despite many pandemic-related challenges teams have worked hard to try to drive further incremental change using our PFIS methodology. A refresh of

the PFIS programme commenced during the final quarter of 2022/23 and has provided the important framework via the Quality Breakthrough Objective (30% reduction in falls) for further improvement work in 2022/23. Our methodology ensures a bespoke approach to the challenge, enabling solutions to vary depending on the particular patient group and ward environment.

Improving patient experience: Communication and staff attitude

We want all our patients to have a positive experience of their care. Patient experience data tells us that for patients responding to Friends and Family Test (FFT) surveys, the greatest number of negative comments relate to waiting, in particular in A&E where this relates to waiting to be seen and treated. This is being addressed within the Trust's strategy through the True North objective for Systems and Partnership domain relating to A&E performance.

As such, the patient breakthrough objective is focused on a further contributor, relating to staff attitude and communication. An improvement programme has been established and a thematic analysis of all FFT comments relating to staff attitude undertaken to identify opportunities for focus and improvement, which include receptions and the emergency departments.

A bid to the Trust charities in 2022 was successful and has enabled a small team to be resourced to enable a strengthened approach to customer service across the Trust. This work has focused on the development of the Trust's 'Welcome Standards' these define what a great welcome and greeting experience is characterised by. The standards are informed by evidence-based practice from the NHS, patients, Healthwatch and knowledge from the private sector. The standards have three dimensions; self-evaluation, training and validation, with a kitemark awarded when the standards are met.
The implementation of the Welcome Standards commenced in March 2023 with training for reception teams and volunteers in greeting roles within the new Louisa Martindale Building. It will be further rolled out into other service areas in 2023/24.

Monitoring of Quality Priority Improvements

The Trust has an established Quality Governance Structure which was overseen at Board level by the Quality Committee and at Executive Level through the Quality Governance Steering Group chaired by the Chief Medical Officer. Reports are presented to the Quality Committee, with those on Patient Experience to the Patient Committee and Trust Board on the delivery of the Trust's True Norths which are supported by the Trust's delivery of its stated quality improvement priorities.

1.3.16 Research as a driver for improving the quality of care and patient experience

National and local context

University Hospitals Sussex is one of the largest teaching university hospitals in England and prides itself on its programme of engagement with wider local system partners, including social care, on health improvement research projects.

Research and innovation drive continuous quality improvement in healthcare and patients benefit immensely from associated breakthroughs in prevention, diagnosis, treatment, improved outcomes and recovery. The link between research activity at hospitals and good clinical outcomes for patients is well established and research active hospitals are more rewarding places to work. For these reasons, NHS England's "Maximising the benefits of research: Guidance for integrated care systems", published early in 2023, places a new emphasis on identifying local research priorities and increasing the quality and quantity of local research to address these needs, whilst ensuring that research findings are used to drive improvement in the quality of care for patients. The Sussex Health and Care Integrated Care System's "Improving Lives Together: Our ambition for a healthier future in Sussex" (December 2022) strategy supports our board aims to work in local partnerships, grow, retain and support our workforce (through provision of research opportunities, training and development), and improve our use of digital tools and data.

Research delivery

Over 2022/23 we have worked hard to restore our research activity to pre-pandemic levels. A total of 4,612 patients were recruited into 182 studies running across all clinical specialities. 1,410 of these patients participated in potentially lifesaving clinical trials of new medications, devices or procedures. The Trust's research outputs continue to excel across cancer, cardiovascular disease, infectious diseases, HIV and sexual health, and Women and Children's medicine. Following developmental work with other specialities including respiratory, gastroenterology and surgery, opportunities to grow patient participation in trials will widen in the coming years.

In February 2023, the Brighton and Sussex Clinical Trials Unit (BSCTU) was awarded full registration with the UK Clinical Research Collaboration, boosting opportunities for research collaboration in the region. The unit, which is a joint venture between the Trust and BSMS, plays an important role in running trials initiated by our staff who have been awarded competitive grant funding from the NIHR and other funders. Current NIHR awards being managed by BSCTU include:

- Palliative Long-term Abdominal Drains Versus Repeated Drainage in Untreatable Ascites Due to Advanced Cirrhosis: A Randomised Controlled Trial (REDUCe 2 Study) led by Professor Verma, Consultant Hepatologist.

- Impact of duration of antibiotic therapy on effectiveness, safety and selection of antibiotic resistance in adult women with urinary tract infections (UTI): a randomised controlled trial, led by Professor Llewelyn, Consultant Infectious Diseases.
- High Flow humidified oxygen as an early intervention in children with Acute Severe Asthma: a feasibility study led by Professor Seddon, Consultant Respiratory Paediatrician.

The Trust has also received significant grants in 2022/23 to run nationally recruiting research projects trialling new methods for treating in atrial fibrillation, led by Dr Silberbauer, Consultant Cardiologist.

Over the last 12 months we have also continued with our innovative clinical academic research programme for Nurses, Midwives and Allied Health Professionals. An additional scheme has enabled the allocation of protected research time to 18 junior doctors, supporting them to participate in NIHR training programmes such as the Associate Principal Investigator Scheme. Six Medical Doctoral Fellowships, funded by the KSS Deanery, University Hospitals Sussex and BSMS were also awarded to our staff: clinicians have started work towards PhD and MD degrees in clinically focused research projects in haematology, oncology, HIV, diabetes and surgery.

Building for the future – launch of the Brighton and Sussex Health Research Partnership

The Brighton and Sussex Health Research Partnership (HRP) was officially launched in September 2022 by the inaugural members: University Hospitals Sussex, The University of Sussex, The University of Brighton, Brighton and Sussex Medical School and Sussex Partnership NHS Foundation Trust. The partnership builds on the work of the Brighton and Sussex Clinical Trials Unit and the Joint Clinical Research Office (JCRO), which co-ordinates research governance and management to support researchers and address the challenge of improving our health and care research performance. Planned developments include expansion of the JCRO scope of activity to support the Trust's innovators and to create a single point of contact for Trust staff seeking to build collaborative research with the medical school and its parent universities. A new joint Clinical Academic Training Office (CATO) will support the development and delivery of multi-professional research training opportunities for our workforce. The HRP will ensure our patients benefit from resources shared across our region and become the means by which we shape the local health and care research landscape, achieving our vision of ensuring the whole population benefits from health and care research and innovation.

Building for the future – our new strategy

As a Trust we are proud of the research and innovation activity that happens in our organisation – but we recognise that we can do more. As part of establishing a new True North for Research and Innovation a strategy and delivery plan is required to ensure that we realise our ambitions. The new

strategy, will set out the vision, aims and objectives for Research and Innovation in the Trust over the next five years.

The new strategy is being developed taking into account national guidance and local drivers and is being shaped by staff, patient and public perspectives. The strategy is also being developed in collaboration with our partners, working primarily through the Brighton and Sussex HRP, NHS Sussex (the Integrated Care Board for Sussex), other regional NHS providers and academic partners.

The strategy will improve the research and innovation opportunities available to patients and staff in a stepwise and equitable fashion across the Trust, based on national guidance and local drivers over the next five years. We will identify specific deliverables, including: widening the range of specialties involved in research; delivering a comprehensive communication strategy; developing staff training opportunities in research to support to staff across all levels and roles, including expanding our clinical academic career development programme; increasing locally led research which has a direct impact on the quality of care our patients receive; supporting patient and public involvement and engagement in our research; developing our Clinical Research Facility; further development of the shared JCRO and BSCTU.

1.3.17 The Best of University Hospitals Sussex - Our Year in Review

It has been an exceptionally busy year, as it has been for all our partners across the health and social care system in Sussex. But through this, there have been some incredible stories and achievements to share from across our hospitals.

In May, Southlands Hospital hosted its first live international eye surgery event from its specialist eye unit. The event focused on treatments for conditions affecting the back of the eye and also screened operations from hospitals in Italy, Egypt and Turkey. It was watched by around 1,000 retina experts in more than 130 countries.

Volunteers' Week in June provided an opportunity to say a huge thank you to all our volunteers across the Trust. Our team of more than 900 volunteers set aside time from their own lives to support us in a variety of roles across all of our services. Their support and generosity makes a huge difference to patient care and their continued selfless commitment is truly inspiring. Celebratory lunches were hosted across sites, with several volunteers recognised for their long service.

We shared how patients can be X-rayed more quickly and safely thanks to a new digital X-ray room installed at Princess Royal Hospital in July.

The hospital's League of Friends charity raised an incredible £260,000 to refurbish the new unit, which includes a new state-of-the-art X-ray machine and dental imaging equipment.

Colleagues from across the Trust took part in the Brighton Pride Parade in August. Our staff LGBTQI+ network organised a fantastic float complete with DJ, confetti canon and striking balloon back packs. A huge thank you to our dedicated charity, My University Hospitals Sussex, for supporting the Trust to take part in this and other Pride events across Sussex in the summer.

As part of Organ Donation Week in September, we highlighted how a team of organ transplant patients represented UHSussex at the British Transplant Games. To show appreciation for the amazing care they received before and after their transplants, the UHSussex team, which included four organ donors and four recipients, took part in a range of sports and won two silver medals in the cycling and one bronze medal in the freestyle swimming event.

Allied Health Professionals (AHP) make up the third largest workforce in the NHS. At UHSussex, we have more than 1,000 AHPs who bring real diversity in terms of their skills and experience and work across eight specialisms, varying from physiotherapy to operating department practitioners and orthoptists – to name just a few. AHP Day in October was a chance to recognise the essential part they play in delivering patient care.

Our fully refurbished laundry facility at St Richard's Hospital officially opened in November. The service underwent a £7 million refit, making it one of the most up to date hospital laundry facilities in the NHS. The refurbishment provides a faster, greener, and more efficient service for St Richard's, Southlands and Worthing hospitals.

We welcomed a new state-of-the-art imaging system at the Royal Alexandra Children's Hospital in December, kindly funded by Rockinghorse Children's Charity and their donors. As well as supporting all paediatric dental patients requiring imaging, this replacement machine is used to detect bone tumours, soft tissue damage and issues related to the head and neck. This unit produces high quality images needed to ensure accurate diagnosis for over 800 dental X-rays that are needed each year.

The new year saw us open the Amberley Unit, our new purpose-built cancer facility at Worthing Hospital. The unit is home to chemotherapy and medical day services for cancer patients. It has been designed to meet current and future demands and is bigger, lighter and much airier than the Medical Day Case Unit it has replaced. The £7 million investment provides extra capacity, which allows more patients to be treated and with a broader range of services in one place.

We celebrated our second UHSussex Environment Week in February, marking the first anniversary of our Patient First, Planet First Green Plan (https://www.uhsussex.nhs.uk/about/trust/sustainability/). During the week we looked back on how far we've come, our focus areas looking ahead, and the ways staff and the public can support our aim to reach Net Zero by 2040. March saw the conclusion of several Long Service Award ceremonies that celebrated staff reaching the milestones of 20, 30, 40 and 40+ years working at UHSussex, across all of our hospital sites. A total of 583 colleagues

attended the events, which have been postponed for the past few years due to the pandemic. Together, their combined service totals an incredible 13,677 years.

Of course, these are just a few highlights and there are many more stories that we shared over the year across our communication channels. You can read more at https://www.uhsussex.nhs.uk/news/.

1.3.18 Stakeholder Relations

Collaborative working is key to achieving the ambitions of our Patient First programme and its Systems and Partnerships strategic theme, which puts a strong focus on the way we work with our external partners as well as on a multidisciplinary basis within the Trust.

Our approach is, and always has been, based on openness, honesty and a genuine desire to listen to and act on feedback to improve our services and our patients' experience. The Governors' Patient Experience and Engagement Committee exists to seek the views of Foundation Trust members through the governors, and those of the statutory bodies to inform priority work programmes to improve patient experience and influence the strategic direction of patient and public involvement by ensuring a wide range of stakeholder views are gathered and taken into account.

Our partners in our local health economy include GPs, community healthcare providers, NHS Sussex and Sussex Health and Care Partnership members, Healthwatch West Sussex, Brighton & Hove and East Sussex, social care providers, charities, the ambulance service and mental health trust.

1.3.19 Our dedicated charities

The year saw significant change for the Trust charities with the merger of Love Your Hospital (LYH) and Brighton Sussex and University Hospitals (BSUH) Charity through a name change created My University Hospitals Sussex on 1 April 2023.

This is a notable achievement and one that reflects the Trust's ambitions for its new, single, charity; that through innovative fundraising and impactful grant making, the charity will advance patient benefit and staff wellbeing across the wider Trust and its seven hospital sites.

Much of the business year was spent preparing for the merger ensuring that all the requisite, legal, governance, communications, financial and human resource elements were in place so as to allow the new Charity to maximise its potentials and succeed. To this end the corporate trustees of the Charities invested tiem in the development of the new single facing brand, a refreshed and revitalised website, a new database and new staff. In addition, in January 2023, the corporate trustees agreed a two-year transition / growth strategy that would see the new charity focus on:

- Developing the new charity brand and corporate character.
- Implementing a multi-disciplinary fundraising programme which further develops the charity fundraising mix and allows for year on year incremental growth in income.
- Implementing a grant making / spend programme that responds to the ambition of Patient First and delivers evidenced patient and staff benefit.

Alongside the merger, the charities have continued to fundraise and despite the very evident cost of living crisis, were able to realise the collective fundraising target of £1.9m this being both fundraised income and investment returns. Notable fundraising successes have included:

- The Brighton Marathon trolley push which saw a team of clinical staff and students from RSCH endure the 26 mile course and raised money for a refit of the ambient lighting in A&E to create a calming space for patients receiving emergency care.
- The Saywell Track day held at Goodwood motor circuit which saw businessman and long term supporter of the Trust, Peter Saywell, raised money from an exhibition of performance and classic cars. A day out for the public which created both interest and excitement in the Charity.
- The Brighton Pavilion Ice skate which saw the Charity team secure sponsorship from its corporate partner Morgan Sindall and which enabled more than 300 staff and their family members enjoy a fun filled night of ice skating in front of the floodlit, iconic, Brighton Pavilion. An event that is now to become an annual occurrence in the Charity calendar.

Furthermore, grant making has continued apace with the Charities making a number of key investments. Particular examples include:

- The funding of two ECG Machines at St. Richards Hospital. An investment which enables specialists in ICU to conduct rapid cardiological assessments. This in turn ensuring speedy access to care whilst reducing wait times.
- The funding of an all-new evidence-based digital therapy system that allows patients to use apps, games and other leisure activities as part of their hospital recovery. Titled Reminiscence Interactive Therapy Activities (RITA), this interactive touch screen system allows patients to enjoy relaxing music, watch archive BBC news footage, view old photographs, and listen to famous historical speeches. All of which have been shown to help spark memories and to start conversations on the wards. The Charity's grant enabled the Trust to implement RITA in the Critical Care Units at the Royal Sussex County Hospital and the Princess Royal Hospital, and at the Sussex Neuro Rehabilitation Centre at the Princess Royal Hospital.
- An investment into the Patient First STARS awards night, an incredible night that sees staff and volunteers across the Trust thanked and rewarded for their continued commitment and good work. Held at the Assembling Halls in Worthing, the event saw 300 colleagues gather to

celebrate the innovation, compassion, dedication and heroism displayed by clinical and non-clinical staff throughout the pandemic.

Through its various grant making activities the Trust charities have looked to afford a very real additionality to both patient experience and staff wellbeing. It is this collective legacy that the, My University Hospitals Sussex, charity will draw its heritage and it is upon this foundation, that the new charity will most certainly grow to become one of the NHS's leading fundraising and grant-making concerns.

1.3.20 Directors' statement

The directors are required under the NHS Health Service Act 2006 to prepare accounts for each financial year.

The directors consider the Annual Report and Accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for patients, regulators, and stakeholders to assess the Trust's performance, business model and strategy.

Each director of the Trust Board, at the time of approval of the Annual Report and Financial Statements, declares that:

- So far as they are aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- The director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

…… 28 June 2023

Dr George Findlay, Chief Executive

University Hospitals Sussex NHS Foundation Trust

2. Accountability Report

2.1 Directors' Report

Our Board of Directors is responsible for the management and performance of the Trust, and for setting its future strategy.

This section of the Annual Report provides an overview of 2022/23 from an operational and strategic standpoint, outlines the in-year development of the Trust's relationships and partnerships with stakeholders, and details its governance and management arrangements from a Board perspective.

2.1.1 Managing the Trust

How the Trust is run

The Trust's Constitution sets out the way in which the Council of Governors and the Board of Directors will operate and work together including their key areas of responsibilities.

The Trust's Scheme of Delegation sets out the responsibilities of the Trust's Board and key Committees.

In the event of dispute between the Council and the Board then the dispute resolution procedure set out in the Constitution shall be followed in order to resolve the matters concerned. This has not been required during the period 1 April 2022 to 31 March 2023.

The Board is responsible for the management of the Trust and for ensuring proper standards of corporate governance are maintained. The Board accounts for the performance of the Trust and consults on its future strategy with its members through the Council of Governors (CoG).

The Board has established a Committee structure of five Committees aligned to the Trusts' five patient first pillars. The Committees retain their oversight of allocated BAF risks but also have capacity within their respective work programmes to provide enhanced assurance to the Board over the Trust's delivery of their stated True Norths, Breakthrough Objectives, Corporate Projects and Strategic Initiatives.

Our Board of Directors 1 April 2022 to 31 March 2023

NON-EXECUTIVE DIRECTORS

Alan McCarthy MBE DL, Chairman from 01-10-18 (Term of Office to 31-03-24)

Chair of the Executive Appointments and Remuneration Committee

Patrick Boyle Deputy Chair from 01-06-21 (Term of Office to 19-01-2024)

Chair of the People Committee and Chair of the Systems & Partnerships Committee (until 30-11-2022)

Joanna Crane, Senior Independent Director (Term of Office to 30-06-2022)

Chair of the Quality Committee

Lucy Bloem, Senior Independent Director (Term of Office to 31-08-2024)

Chair of the Quality Committee

Jon Furmston (Term of Office to 30-06-2022)

Chair of the Audit Committee

David Curley (Term of Office from 01-07-2022 to 30-06-2025)

Chair of the Audit Committee

Lizzie Peers (Term of Office to 10-05-2024 this further year was approved by the Council of Governors)

Chair of the Sustainability Committee and Chair of the Charitable Funds Committee

Jackie Cassell (Term of Office to 30-06-2024)

Chair of the Patient Committee (until 31-01-2023)

Claire Keatinge (Term of Office 30-06-2024)

Chair of the Patient Committee (from 01-02-2023)

Bindesh Shah (Term of Office 01-07-2022 to 30-06-2025)

Chair of the Systems & Partnerships Committee (from 01-12-2022)

Paul Layzell (Term of Office 01-09-2022 to 31-08-2025)

Non-Executive Director

Malcolm Reed (Term of Office 01-03-2023 to 28-02-2026)

Non-Executive Director

ASSOCIATE NON-EXECUTIVE DIRECTORS (non-voting members of the Board)

Lillian Philip (Term of Office to 29-04-2023)

Sadie Mason MBE (Term of Office to 01-07-2023 to 30-06-2025)

EXECUTIVE DIRECTORS

Dr George Findlay, *Chief Executive from 01 June 2022*

Dr Andy Heeps, *Deputy Chief Executive and Chief Operating Officer (Interim Chief Executive from 01 April 2022 to 31 May 2022)*

Karen Geoghegan, *Chief Financial Officer*

Dr Maggie Davies, *Chief Nurse*

David Grantham, *Chief People Officer*

Dr Charlotte Hopkins, *Chief Medical Officer (for the period 01 April 2022 to 31 August 2022)*

Dr Rob Haigh, *Interim Chief Medical Officer (for the period 01 September 2022 to 31 March 2023)*

Darren Grayson, *Chief Governance Officer*

Ellis Pullinger, *Interim Chief Operating Officer (for the period 01 April 2022 to 30 June 2022)*

Leanne Mclean, *Interim Chief Nurse from 21 March 2023*

Board of Directors

The Chair and Non-Executive Director Directors are appointed by the Council of Governors.

The Directors of the Trust for the period of this report are shown in the table below together with their attendance at Board meetings for the same period.
All of the Non-Executive Directors are considered to be independent.
The Chair of the Board is also the Chair of the Council of Governors.

Deputy Chair

Good practice suggests that the Trust should have a Deputy Chair to stand in during any period of absence of the Chair. The Trust Constitution makes provision for the appointment of a Deputy Chair and NHS Improvement's guidance states that this should be a Council of Governors appointment, although it would be expected that the Chair would make a recommendation to Governors.

Patrick Boyle, Non-Executive Director, is the Deputy Chair.

Senior Independent Director

The Senior Independent Director is a Non-Executive Director appointed by the Board as a whole in consultation with the Council of Governors. The Senior Independent Director has a key role in supporting the Chair in leading the Board and acting as a sounding board and source of advice for the Chair.

Joanna Crane, Non-Executive Director, was the Senior Independent Director until her retirement in June 2022 when this role was assumed by Lucy Bloem.

Skills of the Board

The Board undertook a review of its skills as it developed its merger full business case. This assessment recognised alongside the required clinical, financial, people, strategy and operational skills held by the executives these skills were replicated within the non-executives, The Board has used this skills analysis as it sought to replace retiring non-executive directors thus ensuring the breadth of skills is maintained.

Operation of the Board

The Board has agreed a scheme of reservation and delegation which sets out those decisions which must be taken by the Board and those which may be delegated to the Executive or to Board sub-committees.

The Board sets the Trust's strategic aims and provides active leadership of the Trust. It is collectively responsible for the exercise of its powers and the performance of the Trust, for ensuring compliance with the Trust's Provider Licence, relevant statutory requirements and contractual obligations, and for ensuring the quality and safety of services. It does this through the approval of key policies and procedures, the annual plan and budget for the year, and schemes for investment or disinvestment above the level of delegation.

The Non-Executive Directors play a key role in taking a broad, strategic view, ensuring constructive challenge is made and supporting and scrutinising the performance of the Executive Directors, whilst helping to develop proposals on strategy.

Board meetings follow a formal agenda which includes a update from the Chief Executive, the Trust's structured integrated performance report that reflects the Trust's performance against its True North priorities, and where appropriate information on its breakthrough objectives, strategic initiatives and corporate projects along with information on a range of Strategic and Operational items including; patient experience, patient quality, workforce, financial and environmental sustainability along with the Trust's key performance targets.

The Board has received a range of information covering the Trust's annual plan, maternity service oversight dashboards, infection prevention and control, safeguarding, the Trust's capital programme, IM&T, learning from deaths,

learning from incidents, and various compliance reports including the assessment of the Trust's compliance with its Provider licence.

In addition, subject specific seminars were held with the Board covering topics including ICS System Governance Development, Urgent and Emergency Care Programme, Equality, Diversity and Inclusion Strategy, Sussex Health and Care System's Integrated Care Strategy and Stroke Service Reconfiguration Consultation and Safeguarding Training.

Attendance at Public Board meetings 1 April 2022 to 31 March 2023

Name	***5 May***	***4 August***	***10 November***	***2 February***
Alan McCarthy MBE DL (Chairman and Chair)	✓ yes	✓ yes	✓ yes	✓ yes
Patrick Boyle (Non-Executive Director)	✓ yes	× no	✓ yes	✓ yes
Joanna Crane (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	N/A	N/A	N/A
Jon Furmston (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	N/A	N/A	N/A
Lizzie Peers (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes
Claire Keatinge (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes
Lucy Bloem (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes
Jackie Cassell (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes
Bindesh Shah (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	✓ yes	✓ yes	✓ yes
David Curley (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	✓ yes	✓ yes	✓ yes
Paul Layzell (Non-Executive Director) *Joined the Trust 1 September 2022*	N/A	N/A	✓ yes	✓ yes
Sadie Mason MBE* (Associate Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	✓ yes	× no	× no
Lillian Philip* (Associate Non-Executive Director)	× no	× no	✓ yes	× no
Malcolm Reed (Non-Executive Director) *Joined the Trust on 1 March 2023*	N/A	N/A	N/A	× no
Dr George Findlay (Chief Executive) *Became CEO 1 June 2022*	N/A	✓ yes	✓ yes	✓ yes

Name	*5 May*	*4 August*	*10 November*	*2 February*
Dr Andy Heeps (Chief Operating Officer and Deputy CEO)	✓ yes	✓ yes	✓ yes	✓ yes
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	✓ yes	✓ yes
Dr Maggie Davies (Chief Nurse)	✓ yes	✓ yes	✓ yes	✓ yes
Dr Charlotte Hopkins (Chief Medical Officer) *Left the Trust on 31 August 2022*	✓ yes	× no	N/A	N/A
David Grantham (Chief People Officer)	✓ yes	✓ yes	✓ yes	✓ yes
Darren Grayson* (Chief Governance Officer)	✓ yes	✓ yes	✓ yes	✓ yes
Rob Haigh (Interim Chief Medical Officer) *Became interim CMO on 1 September 2022*	N/A	N/A	✓ yes	✓ yes
Ellis Pullinger * (Interim Chief Operating Officer) *Left the Trust on 30 June 2022*	✓ yes	N/A	N/A	N/A
Leanne Mclean (Interim Chief Nurse) *Joined the Trust on 21 March 2023*	N/A	N/A	N/A	N/A

* non-voting members of the Board

Attendance at Private Board meetings 1 April 2022 to 31 March 2023

Name	*05 May*	*21 June*	*04 Aug*	*01 Sept*	*06 Oct*	*10 Nov*	*12 Jan*	*02 Feb*
Alan McCarthy MBE DL (Chairman and Chair)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Patrick Boyle (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Joanna Crane (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A
Jon Furmston (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A
Lizzie Peers (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes

Name	***05 May***	***21 June***	***04 Aug***	***01 Sept***	***06 Oct***	***10 Nov***	***12 Jan***	***02 Feb***
Claire Keatinge (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	× no	✓ yes
Lucy Bloem (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Jackie Cassell (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Bindesh Shah (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	× no	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
David Curley (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	✓ yes	× no	✓ yes	✓ yes	✓ yes	✓ yes
Paul Layzell (Non-Executive Director) *Joined the Trust 1 September 2022*	N/A	N/A	N/A	× no	✓ yes	✓ yes	× no	✓ yes
Sadie Mason MBE* (Associate Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	× no	✓ yes	✓ yes	× no	✓ yes	× no
Lillian Philip * (Associate Non-Executive Director)	× no	× no	× no	✓ yes	✓ yes	✓ yes	× no	× no
Malcolm Reed (Non-Executive Director) *Joined the Trust on 1 March 2023*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr George Findlay (Chief Executive) *Became CEO 1 June 2022*	N/A	✓ yes	✓ yes	✓ yes	× no	✓ yes	✓ yes	✓ yes
Dr Andy Heeps (Chief Operating Officer and Deputy CEO)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Dr Maggie Davies (Chief Nurse)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes

Name	05 May	21 June	04 Aug	01 Sept	06 Oct	10 Nov	12 Jan	02 Feb
Dr Charlotte Hopkins (Chief Medical Officer) *Left the Trust on 31 August 2022*	✓ yes	× no	× no	N/A	N/A	N/A	N/A	N/A
David Grantham (Chief People Officer)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	× no	✓ yes
Darren Grayson* (Chief Governance Officer)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Rob Haigh (Interim Chief Medical Officer) *Became interim CMO on 1 September 2022*	N/A	N/A	N/A	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Ellis Pullinger * (Interim Chief Operating Officer) *Retired as COO 31 May 2022; left the Trust on 30 June 2022*	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Leanne Mclean (Interim Chief Nurse) *Joined the Trust on 21 March 2023*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* non-voting members of the Board

Attendance at ExtraOrdinary Board meetings 1 April 2022 to 31 March 2023 *(these meetings were for specific items of business that fell in between the scheduled meetings where action was needed (e.g. approval of business cases and developing the Trust's annual plan)*

Name	22 April	14 June	23 Aug	13 Oct	13 Dec	20 Feb	30 Mar
Alan McCarthy MBE DL (Chairman and Chair)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	× no	✓ yes
Patrick Boyle (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	× no	✓ yes	× no
Joanna Crane (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	× no	N/A	N/A	N/A	N/A	N/A
Jon Furmston (Non-Executive Director) *Retired on 30 June 2022*	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A

NHS
University Hospitals Sussex
NHS Foundation Trust

Name	***22 April***	***14 June***	***23 Aug***	***13 Oct***	***13 Dec***	***20 Feb***	***30 Mar***
Lizzie Peers (Non-Executive Director)	✓ yes	✓ yes	× no	✓ yes	✓ yes	✓ yes	✓ yes
Claire Keatinge (Non-Executive Director)	× no	× no	✓ yes	× no	✓ yes	✓ yes	✓ yes
Lucy Bloem (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Jackie Cassell (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Bindesh Shah (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
David Curley (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	× no	× no	✓ yes	× no	✓ yes
Paul Layzell (Non-Executive Director) *Joined the Trust 1 September 2022*	N/A	N/A	N/A	× no	✓ yes	✓ yes	✓ yes
Sadie Mason MBE* (Associate Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	× no	✓ yes	× no	× no	× no
Lillian Philip * (Associate Non-Executive Director)	× no	× no	✓ yes	✓ yes	× no	× no	× no
Malcolm Reed (Non-Executive Director) *Joined the Trust on 1 March 2023*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr George Findlay (Chief Executive) *Became CEO 1 June 2022*	N/A	✓ yes	✓ yes	× no	✓ yes	✓ yes	✓ yes
Dr Andy Heeps (Chief Operating Officer and Deputy CEO)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	× no	✓ yes	✓ yes	✓ yes	✓ yes
Dr Maggie Davies (Chief Nurse)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	× no
Dr Charlotte Hopkins (Chief Medical Officer) *Left the Trust on 31 August 2022*	✓ yes	✓ yes	× no	N/A	N/A	N/A	N/A

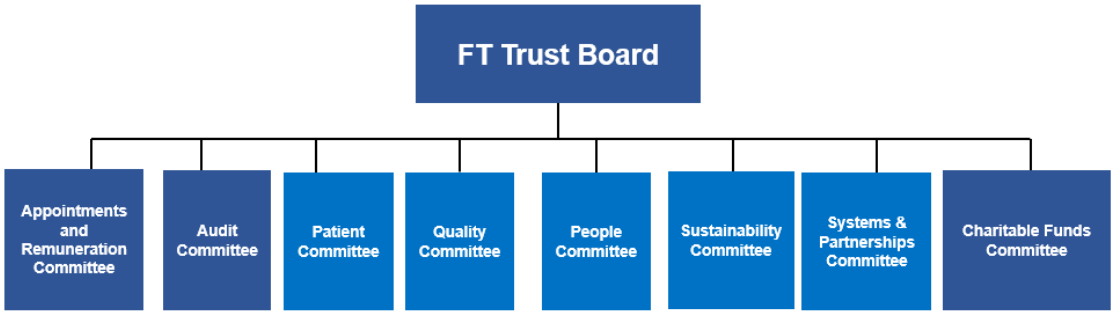
Name	*22 April*	*14 June*	*23 Aug*	*13 Oct*	*13 Dec*	*20 Feb*	*30 Mar*
David Grantham (Chief People Officer)	× no	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes
Darren Grayson* (Chief Governance Officer)	✓ yes	✓ yes	✓ yes	✓ yes	× no	✓ yes	✓ yes
Rob Haigh (Interim Chief Medical Officer) *Became interim CMO on 1 September 2022*	N/A	N/A	N/A	✓ yes	✓ yes	✓ yes	✓ yes
Ellis Pullinger * (Interim Chief Operating Officer) *Left the Trust on 30 June 2022*	✓ yes	NA	N/A	N/A	N/A	N/A	N/A
Leanne Mclean (Interim Chief Nurse) *Joined the Trust on 21 March 2023*	N/A	N/A	N/A	N/A	N/A	N/A	✓ yes

* non-voting members of the Board

Board Committees

The Board has established a number of formal sub-committees that support the discharging of the Board's responsibilities. Each Committee is chaired by a Non-Executive Director.

These committees do not operate independently of each other but where appropriate operate together (and indeed report to one another) to ensure full coverage and clarity on all areas of Trust activity. The schematic below shows the inter-relationships of the Committees and the Board.



Audit Committee

The existence of an independent Audit Committee is the central means by which the Trust Board ensures effective control arrangements are in place. The Committee membership is solely made of Non-Executive Directors in line with the Code of Governance for Foundation Trusts, with each of the Committee NED Chairs being members of the Audit Committee and the Audit Committee chair being independent of other Committee Chair responsibilities.

The Audit Committee independently reviews, monitors and reports to the Board on the attainment of effective control systems and financial reporting processes.

University Hospitals Sussex NHS Foundation Trust

Register of Members' attendance at Audit Committee meeting for the period 01 April 2022 to 31 March 2023

Name	***Apr***	****Jun***	***Jul***	***Oct***	***Jan***	***Total***
Jon Furmston (Non-Executive Director and Committee Chair) *Left the Trust 30 June 2022*	✓yes	✓yes	N/A	N/A	N/A	2 of 2
David Curley (Non-Executive Director and Committee Chair) *Joined the Trust on 1 July 2022*	N/A	N/A	✓yes	✓yes	✓yes	3 of 3
Lizzie Peers (Non-Executive Director)	✓yes	✓yes	✓yes	✓yes	✓yes	5 of 5
Lucy Bloem (Non-Executive Director)	✓yes	✓yes	× no	× no	✓yes	3 of 5
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	✓yes	× no	N/A	N/A	N/A	1 of 2
Patrick Boyle (Non-Executive Director)	✓yes	✓yes	✓yes	✓yes	✓yes	5 of 5
Jackie Cassell (Non-Executive Director)	✓yes	× no	✓yes	× no	✓yes	3 of 5
Claire Keatinge (Non-Executive Director) *Committee Chair from January 2022*	N/A	N/A	N/A	N/A	✓yes	1 of 1
Bindesh Shah (Non-Executive Director) *Committee Chair from December 2022*	N/A	N/A	N/A	N/A	× no	0 of 1

*Year end Annual Accounts Audit Committee

The Chief Financial Officer, Chief Governance Officer, Director of Finance, Local Counter Fraud Services, Internal and External Auditors are regular attendees at meetings of the Committee. The Committee requests other senior Trust officers to attend for specific items. The Committee is supported by the Company Secretary.

The Trust's External Auditor is Grant Thornton LLP.

The Trust does not have its own internal audit function. The Trust's Internal Auditor is BDO LLP. The Trust's Local Counter Fraud Service is provided by both an internal provider in conjunction with RSM UK.

The Audit Committee agenda is based upon an agreed annual work-plan. In order to maintain independent channels of communication, the members of the Audit Committee hold a private meeting collectively with External Audit, Internal Audit and Counter Fraud ahead of each Audit Committee. This provides all parties the opportunity to raise any issues without the presence of management.

The Audit Committee is responsible to the Board for reviewing the adequacy of the governance, board assurance and risk management and internal control processes within the Trust. In carrying out this work the Audit Committee obtains assurance from the work of the Internal Audit, External Audit and Counter Fraud Services.

The Audit Committee review the financial year-end Annual Report, Annual Accounts and Annual Governance Statement with the External Auditor prior to Board approval and sign off.

The Audit Committee agrees the schedule of Internal Audit reviews at the start of the year and receives the reports of those audits and tracks the implementation of recommendations at each of its meetings.

Patient Committee

The Patient Committee supports the Board in ensuring that the Trust's processes take account of patient feedback and that the Trust has sound processes for securing patient engagement where pathway changes are to be considered. During 2022/23 the Committee also took responsibility for the oversight of the Trust's Research and Innovation activities aligned to the relevant True North aim.

Register of Members' attendance at Patient Committee meeting for the period 01 April 2022 to 31 March 2023

Name	***April***	***July***	***Oct***	***Jan***	***Total***
Jackie Cassell (Non-Executive Director and Committee Chair)	✓yes	× no	✓yes	✓yes	3 of 4
Alan McCarthy MBE DL** (Non-Executive Director and Trust Chair)	✓yes	✓yes	N/A	N/A	2 of 2
Claire Keatinge (Non-Executive Director)	✓yes	✓yes	✓yes	✓yes	4 of 4
David Curley (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	✓yes	✓yes	N/A	2 of 3
Jon Furmston (Non-Executive Director) *Left the Trust 30 June 2022*	✓yes	N/A	N/A	N/A	1 of 1
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	× no	N/A	N/A	N/A	0 of 1
Lillian Philip (Associate Non-Executive Director)	× no	✓yes	✓yes	× no	2 of 4
Dr Maggie Davies (Chief Nurse)	× no	✓yes	✓yes	× no	2 of 4
Dr George Findlay** Chief Executive *Returned from secondment 1 June 2022*	N/A	✓yes	N/A	✓yes	2 of 2

Name	*April*	*July*	*Oct*	*Jan*	*Total*
Dr Andy Heeps** (Deputy Chief Executive & Chief Operating Officer)	✓yes	N/A	N/A	N/A	1 of 1
Dr Rob Haigh** (Interim Chief Medical Officer)	N/A	N/A	✓yes	✓yes	2 of 2
David Grantham** (Chief People Officer)	✓yes	✓yes	✓yes	✓yes	4 of 4
Dr Charlotte Hopkins (Interim Chief Medical Officer) *Left the Trust on 31 August 2022*	N/A	✓yes	N/A	N/A	1 of 2

**In attendance not formally a member of the Committee

Quality Committee

The Quality Committee supports the Board in ensuring that the Trust's management of clinical and non-clinical processes and controls are effective in setting and monitoring good standards and continuously improving the quality of services provided by the Trust. Given the breadth of activity this Committee has oversight for this Committee meets every month (noting that for October the meeting actually took place on 1 November)

Register of Members' attendance at Quality Committee meeting for the period 01 April 2022 to 31 March 2023

Name	*April*	*May*	*June*	*July*	*Aug*	*Sep*	*1 Nov*	*29 Nov*	*Dec*	*Jan*	*Feb*	*Mar*	*Total*
Alan McCarthy MBE DL** (Non-Executive Director and Trust Chair)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	N/A	✓ yes	✓ yes	✓ yes	N/A	✓ yes	10 of 10
Jackie Cassell (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	12 of 12
Lucy Bloem (Non-Executive Director and Committee Chair from April 2022)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	12 of 12
Lizzie Peers** (Non-Executive Director)	N/A	N/A	N/A	✓ yes	✓ yes	✓ yes	N/A	N/A	N/A	✓ yes	N/A	✓ yes	5 of 5
David Curley (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	N/A	✗ no	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✗ no	7 of 9
Bindesh Shah (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	N/A	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	9 of 9

Name	April	May	June	July	Aug	Sep	1 Nov	29 Nov	Dec	Jan	Feb	Mar	Total
Patrick Boyle** (Non-Executive Director)	N/A	N/A	N/A	N/A	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A	2 of 2
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	✓ yes	✗ no	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2 of 3
Dr George Findlay** (Chief Executive) *Returned from secondment 1 June 2022*	N/A	N/A	N/A	✓ yes	✓ yes	N/A	N/A	N/A	N/A	✓ yes	✓ yes	✓ yes	5 of 5
Dr Rob Haigh (Chief Medical Officer)	✗ no	✓ yes	✓ yes	✗ no	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	10 of 12
Dr Maggie Davies (Chief Nurse)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✗ no	✓ yes	✗ no	N/A	9 of 10
Darren Grayson (Chief Governance Officer)	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	✓ yes	12 of 12
David Grantham** (Chief People Officer)	✓ yes	✓ yes	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓ yes	5 of 5
Dr Charlotte Hopkins (Interim Chief Medical Officer) *Left the Trust on 31 August 2022*	✓ yes	✓ yes	✓ yes	✓ yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4 of 4
Leanne McLean (Interim Chief Nurse) *Joined the Trust on 21 March 2023*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓ yes	1 of 1

**In attendance not formally a member of the Committee

People Committee

The People Committee supports the Board in ensuring that the Trust's processes and controls are effective in setting and monitoring good standards and continuously improving the leadership, development and wellbeing of the Trust's workforce alongside oversight of compliance with the Trust's range of workforce KPIs. During the last quarter of 2022/23 the Committee decided to increase the frequency of meetings from quarterly which saw an extra meeting in March 2023.

University Hospitals Sussex NHS Foundation Trust

Register of Members' attendance at People Committee meeting for the period 01 April 2022 to 31 March 2023

Name	*Apr*	*Jul*	*Nov*	*Jan*	*Mar*	*Total*
Patrick Boyle (Non-Executive Director and Committee Chair)	✓yes	× no	✓yes	✓yes	✓yes	4 of 5
Alan McCarthy MBE DL** (Non-Executive Director and Trust Chair)	N/A	✓yes	✓yes	N/A	N/A	2 of 2
Lizzie Peers (Non-Executive Director)	✓yes	✓yes	× no	✓yes	✓yes	4 of 5
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	✓yes	N/A	N/A	N/A	N/A	1 of 1
Sadie Mason MBE (Associate Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	N/A	✓yes	× no	✓yes	2 of 3
Lillian Philip (Associate Non-Executive Director)	× no	✓yes	✓yes	× no	✓yes	3 of 5
Claire Keatinge (Non-Executive Director)	× no	✓yes	✓yes	✓yes	✓yes	4 of 5
Paul Layzell (Non-Executive Director)	N/A	N/A	✓yes	✓yes	✓yes	3 of 3
David Grantham (Chief People Officer)	✓yes	✓yes	✓yes	✓yes	✓yes	5 of 5
Dr George Findlay Joined the Trust June 2022 (Chief Executive)	N/A	✓yes	✓yes	✓yes	✓yes	4 of 4
Dr Andy Heeps * (Deputy Chief Executive & Chief Operating Officer)	N/A	✓yes	✓yes	✓yes	✓yes	4 of 5
Karen Geoghegan** (Chief Financial Officer)	✓yes	N/A	N/A	N/A	N/A	1 of 1
Darren Grayson** (Chief Governance Officer)	✓yes	N/A	✓yes	N/A	✓yes	3 of 3
Dr Maggie Davies (Chief Nurse)	N/A	✓yes	N/A	N/A	N/A	1 of 1

*For the April meeting Dr Andy Heeps was Interim Chief Executive so was not expected to attend this meeting
**In attendance not formally a member of the Committee

Sustainability Committee

The Sustainability Committee supports the Board to ensure that all appropriate action is taken to achieve the financial objectives of the Trust through regular review of financial strategies and performance, investments, and capital and estates plans and performance. The Committee also has oversight of the Trust's processes for setting and delivering the Trust's environmental sustainability agenda, IM&T procurement and major investment business cases.

The Committee is chaired by a designated Non-Executive however all Non-Executive and Executive Directors are invited to attend.

NHS
University Hospitals Sussex
NHS Foundation Trust

Register of Members' attendance at the Sustainability Committee meeting for the period 01 April 2022 to 31 March 2023

Name	*Apr*	*Jul*	*Nov*	*Jan*	*Total*
Lizzie Peers (Non-Executive Director & Committee Chair)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Patrick Boyle (Non-Executive Director)	✓ yes	× no	✓ yes	✓ yes	3 of 4
Lillian Philip* (Associate Non-Executive Director)	× no	× no	× no	× no	0 of 4
Bindesh Shah (Non-Executive Director) *Joined the Trust 1 July 2022*	N/A	✓ yes	✓ yes	✓ yes	3 of 3
Paul Layzell (Non-Executive Director) *Joined the Trust 1 Sept 2022*	N/A	N/A	✓ yes	✓ yes	2 of 2
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Dr Andy Heeps ** (Chief Operating Officer & Deputy CEO)	N/A	✓ yes	✓ yes	✓ yes	3 of 3
David Grantham (Chief People Officer)	✓ yes	✓ yes	✓ yes	× no	3 of 4
Ellis Pullinger (Interim Chief Operating Officer) *Left the Trust on 30 June 2022*	✓ yes	N/A	N/A	N/A	1 of 1

*Lillian works full time and was unable to attend due to pre-existing diary commitments
** For the April meeting Dr Andy Heeps was Interim Chief Executive so was not expected to attend with Ellis being Interim Chief Operating Officer

Systems and Partnerships Committee

The Systems and Partnership Committee supports the Board to ensure that all appropriate action is taken to achieve its operational performance along with the Trust's processes for working with the systems and its engagement with ICS.

Register of Members' attendance at the Systems and Partnerships Committee meeting for the period 01 April 2022 to 31 March 2023

Name	*Apr*	*Jul*	*Nov*	*Jan*	*Total*
Patrick Boyle (Non-Executive Director & Committee Chair until 30 Nov 22)	✓ yes	× no	✓ yes	✓ yes	3 of 4
Bindesh Shah (Non-Executive Director & Committee Chair from 01 Dec 22) *Joined the Trust 1 July 2022*	N/A	✓ yes	✓ yes	✓ yes	3 of 3
Lizzie Peers (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Lucy Bloem (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	✓ yes	N/A	N/A	N/A	0 of 3
Paul Layzell (Non-Executive Director) *Joined the Trust 1 Sept 2022*	N/A	N/A	✓ yes	✓ yes	2 of 2
Dr Andy Heeps *	N/A	✓ yes	✓ yes	✓ yes	3 of 3

Name	*Apr*	*Jul*	*Nov*	*Jan*	*Total*
(Chief Operating Officer & Deputy CEO)					
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Darren Grayson (Chief Governance Officer)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Ellis Pullinger (Interim Chief Operating Officer) *Left the Trust on 30 June 2022*	✓ yes	N/A	N/A	N/A	1 of 1

*For the April meeting Dr Andy Heeps was Interim Chief Executive so was not expected to attend with Ellis being Interim Chief Operating Officer

Charitable Funds Committee

The purpose of the Charitable Funds Committee is to monitor progress and performance against the strategic direction of the Trust's charity fundraising activity as determined by the Board as corporate Trustee; to approve and monitor expenditure of charitable funds in line with specified priority requirements; and to monitor the management of the Trust's investment portfolio ensuring that the Trust at all times adheres to Charity Law and to best practice in governance and fundraising.

Register of Members' attendance at the Charitable Funds Committee for the period 01 April 2022 to 31 March 2023

Name	**Apr**	**Jul**	**Oct**	**Jan**	**Total**
Alan McCarthy MBE DL** (Non-Executive Director and Trust Chair)	✓ yes	✓ yes	× no	× no	2 of 2
Lizzie Peers (Non-Executive Director and Committee Chair from 10/21)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Joanna Crane (Non-Executive Director) *Left the Trust 30 June 2022*	✓ yes	N/A	N/A	N/A	1 of 1
Claire Keatinge (Non-Executive Director)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
Patrick Boyle (Non-Executive Director)	× no	✓ yes	✓ yes	✓ yes	3 of 4
Lucy Bloem ** (Non-Executive Director)	N/A	N/A	N/A	✓ yes	1 of 1
Lillian Philip (Associate Non-Executive Director)	✓ yes	× no	✓ yes	× no	2 of 4
Dr George Findlay ** (Chief Executive) *Returned from secondment 1 June 2022*	N/A	✓ yes	N/A	N/A	1 of 1
Karen Geoghegan (Chief Financial Officer)	✓ yes	✓ yes	✓ yes	✓ yes	4 of 4
David Grantham ** (Chief People Officer)	✓ yes	N/A	N/A	✓ yes	2 of 2
Darren Grayson (Chief Governance Officer)	× no	✓ yes	✓ yes	✓ yes	3 of 4

** Non-members, in attendance

Appointment and Remuneration Committee

The Committee sets the terms and conditions of the Executive Directors. This committee's membership is the Trust Chair and Non-Executive Directors only. In attendance at meetings are the Chief Executive, Chief People Officer and the Company Secretary.

During the period the Committee did not procure any external advice relating to pay.

2.1.2 Executive and NED appointments and appraisal

The Chief Executive undertakes an appraisal on the performance of the Executive Directors, which are formally reported to the Appointment and Remuneration Committee.

The Chair conducts the Chief Executive's appraisal which is reported in the same way.

The Chair undertakes the appraisal of the Non-Executive Directors, having sought feedback from other Directors. The Senior Independent Director conducted the appraisal of the Chair which included feedback from Directors, Governors and the wider system.
The Chair and Non-Executive Directors appraisals were formally reported to the Council of Governors.

The Chairman, other Non-Executive Directors, and the Chief Executive are responsible for deciding the appointment of Executive Directors.

Non-Executive Directors are appointed by the Council of Governors with the process being led by the Governors Nomination and Remuneration Committee. Non-Executive Directors are appointed for a three-year term in office. A Non-Executive can be re-appointed for up to two further three-year terms in office on an uncontested basis, subject to the recommendation of the Chairman and approval by the Council of Governors.

During the year the Council of Governors approved the appointment of four Non-Executive Directors. The Governors were actively involved in this process both by being part of the interview panel but also being part of the shortlisting and stakeholder panel processes.

All Non-Executive Directors are considered to be independent and their independence is considered during their annual appraisal and confirmed by the Governors.

2.1.3 Statement of compliance with the NHS Foundation Trust Code of Governance 2022-23

University Hospitals Sussex NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain'

basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

2.1.4 Statement of compliance with the NHS Constitution

The Board of Directors takes account of the NHS Constitution in its decisions and actions, as they relate to patients, the public and staff. The Board of Directors is compliant with the principles, rights and pledges set out in the Constitution. However, the Trust has recognised that it has not met all the NHS Constitutional Targets during 2022/23 due mainly to the impact of the challenges in dealing with the demands following the Covid-19 pandemic.

2.1.5 Statement on directors' disclosures

The Annual Report is required to include a statement that for each individual, who is a director at the time the report is approved, as follows:

- So far as each director is aware, there is no relevant audit information of the which the (external) auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors have confirmed the above statement.

2.1.6 Declarations of interest

The Trust holds a register of company directorships and other significant interests, held by both directors and governors, which may conflict with their management responsibilities. The Audit Committee receives an Annual Report on Board Declarations and the process to mitigate any potential conflicts. Complementing this the Council of Governors receives an Annual report on Governors Declarations in the public part of its meeting.

No Board Member has declared any significant commitments that require disclosure or any management actions.

The register of these interests is made publicly available on the Trust's public website. The register can be found at https://www.uhsussex.nhs.uk/resources/board-register-of-interests-2022-2023/

In line with a revision to the standard contract for NHS Services each Trust is required to report on the level of staff required to make an annual declaration that have made such a declaration. For 2022/23 1145 of 1151 of the required staff made their declaration recognising that the majority of staff made a nil return. Of those who did not provide a return none have any budgetary responsibilities.

2.1.7 NHS System Oversight Framework

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

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

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

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions. University Hospitals Sussex NHS Foundation Trust is within segment 3, noting there have been no enforcement actions taken against the Trust.

This segmentation information is the trust's position as at March 2023. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

2.1.8 NHS England Well led framework

The Trust has not yet undertaken a formal external well led developmental review since its formation on 1 April 2021. However, as part of the merger process in 2020/21 an element of the formal approval process involved the engagement with the Board which offered an opportunity to raise any issues with the capacity and capability of the Board and no such observations were made.

As reported within section 1.3.14 the CQC undertook a Well Led review in early October 2022 and the report was issued in May 2023 resulting in a rating within the domain of well led of inadequate. This report made 13 recommendations, 8 categorised as must do and 5 categorised as should do. The must do actions cover three areas:

- supporting staff to speak up and to take swift action based on this feedback;
- improve the medical staffing levels within surgery and
- make improvements based on the Trust's Workforce Race Equality Standards information.

Each of these areas for improvement identified by the CQC were reflected within the Trust's existing strategic improvement priorities for 2022/23 to 2023/2 with progress with each improvement priority overseen by an allocated Board Committee. Whilst each improvement programme is reported to a Board Committee a specific improvement tracking plan has been developed aligned to each of the 13 CQC observations which is reported directly to the Board.

2.1.9 Emergency Preparedness, Resilience and Response

During 2022, The UHSussex Emergency Preparedness & Resilience Response (EPRR) team have continued to work together to continue to provide Emergency Preparedness, Resilience and Response support to the Trust and align Emergency Preparedness, Resilience and Response processes across UHSussex.

The Emergency Preparedness, Resilience and Response Teams has continued to support the Trust's Covid and incident planning and response and provide weekday cover managing all external NHS Sussex and NHSE&I email communications ensuring that these are forwarded and actioned as required.

The minimum requirements which commissioners and providers of NHS funded services must meet are set out in the NHS England core standards for Emergency Preparedness, Resilience and Response. The accountable emergency officer in each organisation is responsible for ensuring these standards are met.

As a direct result of the Emergency Preparedness, Resilience and Response team, the 2022 EPRR Assurance Process for UHSussex returned a substantially compliant rating which was endorsed by the NHS Sussex EPRR Team with recognition of the Trust EPRR Team for the outstanding work undertaken in the Assurance process to attain this rating and are continuing to focus on areas for improvement.

Work is currently in progress to complete the outstanding competencies with specific work streams in place to complete these this year to ensure full compliance for the 2023 EPRR Core Standards Assurance.

The Emergency Preparedness, Resilience and Response team continue to ensure that the Trust has a mature suite of policies and plans to deal with Critical, Business Continuity and Major Incidents as defined by the NHS England Emergency Preparedness Resilience and Response (EPRR) Framework.

Emergency Preparedness, Resilience and Response (EPRR) and Business Continuity procedures continue to be embedded in the Trust with clear and comprehensive separate EPRR and Business Continuity Management policies which provide a clear division between policy and operational plans.

The past year has continued to see unprecedented pressure on all areas of the Trust due to a variety of reasons and supporting Industrial action planning and controls, but despite this, the Emergency Preparedness, Resilience and Response team have continued to ensure that the Trust's Emergency Planning and Business Continuity arrangements are compliant with the Emergency Preparedness, Resilience and Response Assurance Process and will continue to review and update these to ensure they are compliant with the new Clinical Operating Model now embedded in the Trust. With the Clinical Operating Model having an impact on the number of new senior managers joining the organisation and On Call rotas the Emergency Preparedness, Resilience and Response team have worked to ensure that key training and procedures have been delivered and embedded in the Trust with further developments in the training programme being planned.

Also, as a result of the Clinical Operating Model, there has been a requirement to review the Senior Management On call procedures and Emergency Preparedness, Resilience and Response has been instrumental in drafting a Trust Senior Managers On Call Policy and Senior Managers On Call Guidance document to align the legacy on call procedures and training to ensure consistency across the trust. These documents are currently being reviewed prior to being submitted through Governance and embedded in the Trust.

2.1.10 Membership engagement

We have continued to refine and improve the way we communicate with members and how we enable them to share their views.

Our e-newsletter, @UHSussex, is a popular channel for communicating with members. It contains news, event information, feedback methods and articles explaining how the Trust responds to suggestions from patients, carers and members.

In July 2022, we hosted our Annual General Meeting of the Council of Governors and Annual Members Meeting but for this time we were able to host this in person at St Richards Hospital. The Chief Executive, Dr George Findlay reflected on the previous year before the Trust provided a number of presentations on areas of the Trust's activity including Maternity, the Urology Investigation Unit redevelopment at Worthing and Cardiology Services and then concluded with the presentation of the Trust's Annual Report and Accounts.

2.1.11 Disclosures to Auditors

The directors are required under the NHS Health Service Act 2006 to prepare accounts for each financial year.

The directors consider the annual report and accounts, taken as a whole, is fair, balances and understandable and provides the information necessary for

patients, regulators, and stakeholders to assess the Trust's performance, business model and strategy.

Each director of the Trust Board, at the time of approval of the Annual Report and Financial Statements, declares that:

- So far as they are aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- The director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

2.1.12 Income Disclosures

The income from the provision of goods and services for the purposes of the health service in England is greater than the income from the provision of goods and services for any other purposes. Income from goods and services not for the purposes of the health service in England is required to at a minimum cover the full cost of delivery of the goods and services. Any surplus from these activities is reinvested and supports the provision of goods and services for the purposes of the health service in England.

2.1.14 Political Donations

The Trust did not make any donations to political parties during the year.

2.1.15 Better Payments Practice Code

The Trust's measure of performance in paying suppliers is the Better Payment Practice Code (BPPC). The Code requires the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. In 2022/23 possible interest liabilities on invoices was £3,493k. The total amount of interest paid was £40 (see note 12.2 in the Notes to the Accounts)

Measure of Compliance	***2022/23 Number***	***2022/23 £'000***
Non-NHS Payables		
Total Non-NHS Trade Invoices Paid in the Year	277,725	825,292
Total Non-NHS Trade Invoices Paid Within Target	251,216	757,441
Percentage of Non-NHS Trade Invoices Paid Within Target	90.5%	91.8%
NHS Payables		
Total NHS Trade Invoices Paid in the Year	5,107	233,333
Total NHS Trade Invoices Paid Within Target	4,627	228,191

Measure of Compliance	*2022/23 Number*	*2022/23 £'000*
Percentage of NHS Trade Invoices Paid Within Target	90.6%	98.2%

2.1.16 Pharm@Sea Limited

Pharm@Sea Limited is a wholly owned subsidiary of the Trust and provides an Outpatient Dispensing service. As a trading company, subject to an additional legal and regulatory regime (over and above that of the Trust). A significant proportion of the company's revenue is internal trading with the Trust which is eliminated upon the consolidation of these group financial statements.

2.2 Governors' Report

2.2.1 Council of Governors

As a Foundation Trust University Hospitals Sussex has a Council of Governors (COG). The Board of the Trust is directly responsible for the performance and success of the Trust and satisfying the COG that the Board is achieving its aims and fulfilling its statutory obligations. Governors act as a vital link to the local community and report matters of concern raised with them to the Board, via Governor Patient Engagement and Experience Committee. Governors also participate in other activities in support of the Trust's work.

2.2.2 Role of Governors

The COG has a number of statutory roles and responsibilities as follows;

- Appoint and, if appropriate, remove the Chair
- Appoint and, if appropriate, remove the other Non-Executive Directors
- Decide the remuneration and allowances and other terms and conditions of office of the chair and other Non-Executive Directors
- Approve (or not) any new appointment of a Chief Executive
- Approve and, if appropriate, remove the Trust's auditor
- Receive the Trust's Annual Accounts and Annual report at a general meeting of the COG
- Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors
- Represent the interests of the members of the Trust
- Approve Significant Transactions as defined by NHS Improvement guidance
- Approve an application by the Trust to enter into a merger or acquisition
- Decide whether the Trust's non-NHS work would significantly interfere with its principal purpose; and
- Approve amendments to the Trust's Constitution

2.2.3 Composition of the COG

Under the Trust's Constitution, an appointed Governor may hold office for a period of up to three years and at the end of each term they can, subject to satisfactory performance, be re-appointed for a further two terms of up to three years (ie 9 years in total).

The COG comprises the following Constituencies;

Elected public governors

The COG has 11 Governors (1 vacancy) elected from its membership that represent the public and patients including one Governor who represents patients who live out of the catchment area of the Trust. Public Governors are elected from within Local Authority areas. The number of elected Governors for each constituency is in proportion to the population within the area using the Trust's services.

Area	**Number**
Adur	1
Arun	1
Brighton	2
Chichester	2
East Sussex/Out of Area	1
Horsham	1
Mid Sussex	2*
Worthing	**1**
Total Elected Public and Patient Governors	**11**

**Includes one vacancy*

Staff Governors

There are 5 staff Governors each drawn from one of the Trust's Hospital sites and elected by staff members from those areas.

Professional Area	**Number**
Royal Sussex County Hospital, Brighton	1
Worthing Hospital, Worthing	1
St Richard's Hospital, Chichester	1
Princess Royal Hospital, Haywards Heath	1
Peripatetic, Community	1
Total Elected Staff Governors	**5**

Stakeholder (Appointed) Governors

The Trust has a further five Governors who are appointed by partnership or stakeholder organisations.

Partner/Stakeholder Organisation	**Number**
West Sussex County Council	1
Brighton and Hove County Council	1

University of Brighton School of Nursing and Midwifery	1
Trust Inclusion Group	1
Voluntary Sector	1
Total Partner/Stakeholder Governors	**5**

During the year 1 April 2022 to 31 March 2023 attendance at Council of Governor meetings was as follows:

Constituency	Full Name	End of Term of Office	Number of COG meetings attended
Elected Governors			
Public – Adur	John Todd	30 June 2025	4 of 4
Public – Arun	Lyn Camps	30 June 2022	1 of 1
Public – Arun	Maria Rees	30 June 2025	2 of 3
Public – Brighton & Hove	Frances McCabe	30 June 2024	3 of 4
Public – Brighton & Hove	Frank Sims	30 June 2023	3 of 4
Public – Chichester	Linda Tomsett	30 September 2024	3 of 4
Public – Chichester	Maggie Gormley	30 September 2024	3 of 4
Public - Horsham	Paul Wayne	30 June 2024	2 of 4
Public - Mid Sussex	Doug Hunt	30 June 2024	4 of 4
Public – Worthing	Pauline Constable	30 June 2025	3 of 4
Public - East Sussex/Out of Area	Hazel Heron	30 September 2024	1 of 4
Staff Governors			
St Richard's Hospital	Joanne Norgate	31 October 2024	4 of 4
Royal Sussex County Hospital	Andy Cook	30 June 2024	3 of 4
Worthing Hospital	Amelia Palmer	30 September 2024	4 of 4
Peripatetic	Miranda Jose *	31 October 2024	2 of 4
Princess Royal Hospital	Christopher Pobjoy	25 February 2023	1 of 4
Appointed Governors			

*Note * Became a non-voting Governor from 1 November 2021*

Brighton & Hove County Council	Councillor Sue Shanks	29 November 2022	0 of 3
Brighton & Hove County Council	Councillor Sarah Nield	30 November 2025	0 of 1
University of Brighton School of Nursing & Midwifery	Professor Kathleen Galvin	31 March 2023	1 of 4
Voluntary Sector	Helen Rice	31 March 2024	0 of 4
West Sussex County Council	Councillor Alison Cooper	31 July 2024	4 of 4
Trust Inclusion	Kali Varadarajan	31 March 2024	3 of 4

2.2.4 Stakeholder (Appointed) Governors

The Trust has five appointed governors for the year these were Dr Varadarajan Kalidasan, representing Trust Inclusion Groups, Helen Rice, Voluntary Sector, Cllr Alison Cooper, West Sussex County Council and Professor Kathleen Galvin who continued as an appointed Governor for a third term from the 31 March 2023. At the end of November 2022 Cllr Sue Shanks form Brighton and Hove City Council resigned as an appointed Governor for the Trust and was replaced by Cllr Sarah Nield.

2.2.5 Elected Governors.

In June 2022 elections were held for the constituencies of Adur, Arun and Worthing. These elections returned John Todd for Adur, Maria Rees for Arun and Pauline Constable for Worthing.

A further round of Governor elections was held in March 2023 for the position of Staff Governor at Worthing and Southlands Hospitals following the resignation of Amelia Palmer. Suzanne Shepherd was elected as Staff Governor for Worthing and Southlands Hospital for a period of three years from 1 April 2023.

Christopher Pobjoy resigned on 25 February 2023 as a Staff Governor for the Princess Royal Hospital and elections for this position commenced at the end of March 2023.

2.2.6 Governor expenses

The Trust is required to disclose the value of expenses claimed by the Council of Governors during the financial year.

Governor expenses	***1 April 2022 to 31 March 2023***	***1 April 2021 to 31 March 2022***
Total number of governors in office (as at 31st March)	20	20
Number of governors receiving expenses	3	1
Aggregate sum of expenses paid to governors	£839.07	£148.72*

* with the move to virtual meetings in 2021/22 this saw a significant reduction in travel expenses.

2.2.7 Lead Governor

NHS Improvement (NHSI) now NHS England requires that a Council of Governors elects a Lead Governor to be the primary link with the Foundation Trust. A Lead Governor is elected by the full Council and would also be the formal link to NHSI if circumstance required direct communication between the Council of Governors and the Regulator. On 30 June 2022, at the end of her term of office, Lyn Camps, Public Governor for the Arun constituency stood down as Lead Governor. Frank Sims, Public Governor for Brighton and Hove constituency, was elected by the full Council to the position of Lead Governor from 1 July 2022. Following the resignation of Frank Sims from the Lead Governor role in October 2022, Linda Tomsett, Public Governor for the constituency of Chichester was elected by the full Council to the role of Lead Governor from October 2022.

2.2.8 Governor engagement

There were four Council of Governors meetings held in public in the year. Due to impact of the Covid-19 pandemic and, following the guidance from NHS on social distancing restrictions, the Council of Governor meeting that took place in May 2022 was conducted via MS Teams. The public were not invited to attend in person but were provided with a link to view the meeting and given the opportunity to submit questions prior to the meeting. From August 2022 the public were invited to attend the Council of Governor meetings in person but a link to view the meeting remotely was also provided. The agenda at each meeting includes reports from Governors in respect of their work on the Governor Committees and working groups. They also receive regular presentations from the Non-Executive Directors on their work and that of the Committees which they Chair. The Council also receive regular reports in respect of the Trust's financial and operational performance along with the Trust's delivery of its quality priorities.

In addition, the Board and Council met together to discuss key issues and developments. These meetings are augmented by assurance meetings held in private between the Governors and Non-Executive Directors only. In addition, the Chair and Chief Executive have held a number of briefing sessions for Governors during this financial year.

To support Governors in their role the Trust runs Governor Briefings on areas of interest. This year these included presentations on the Trust's Staff Survey, Brighton 3Ts, Stroke Service Reconfiguration, MacMillan Support, the Clinical Operation Model, One UHSussex, the Trust's True North Strategy, Green Plan, Mental Health Strategy, the Operational Plan and Clinical Strategy.

The COG has an active and vibrant Membership Committee and Patient Engagement and Experience Committee. The Council also has a Nomination and Remuneration Committee which meets as required during the year. Governors are involved in many aspects of the Trust including improvement programme workgroups, Trust conferences, Stakeholder meetings, and undertaking PLACE visits. Given the impact of Covid, Governors have not been able to attend the Trust to the same levels as in previous years but there were a number of meetings that took place utilising MS Teams.

2.2.10 Holding the Non-Executive Directors to account for the performance of the Trust Board

Governors have an important role in making an NHS Foundation Trust publicly accountable for the services it provides. They bring valuable perspectives and contributions to its activities. Importantly, Governors are expected to hold Non-Executive Directors to account for the performance of the Trust Board of Directors and the following sets out the principles of how Governors discharge this responsibility.

- To ensure that the process of holding to account is transparent and fulfils the statutory duties of the COG.
- To share successes and discuss any concerns that NEDs or Governors have.
- To reflect the NHS Improvement guidance that Governors should, through the NEDs, seek assurance that there are effective strategies, policies and processes in place to ensure good governance of the Trust.
- To work effectively together and make the best use of the time NEDs and Governors have together.

The Governors discharge this function through regular reports from the NEDs to the Council on their role as Committee Chairs and through the scheduled meetings held in private between the Governors and Non-Executive Directors only.

At no time during the period has the Council of Governors exercised its formal power to require a Non-Executive Director to attend a Council meeting and account for the performance of the Trust Board.

2.2.11 Appraisal and appointments

It is the responsibility of the Council of Governors to appoint the Chair and other Non-Executive Directors and to oversee the appraisal process of the Chair and Non-Executive Directors.

The Governors Nomination and Remuneration Committee (GNaRC) oversee these processes on behalf of the Council. The Chair and other Non-Executive appraisals for 2021/22 have been undertaken and reported to the GNaRC on 16 June 2022 who then reported to the full Council in public on the 18 August 2022. The appraisals for 2022/23 are scheduled to report to the Committee in late June 2023.

The Governors Nomination and Remuneration Committee during 2022/23 received the:

- Chair and NEDs appraisals
- The Outcome from the recruitment process for new Non-Executive Directors (NEDs)

It is the responsibility of the Governor Nomination and Remuneration Committee, with the Chair of University Hospitals Sussex NHS Foundation Trust, to consider appropriate Non-Executive Director (NED) succession planning. This was considered as part of the determination of the non-executive skills and attributes that supported the round of NED recruitment in the early part of 2022.

2.2.12 Membership Strategy

The Trust currently has a Membership Strategy for the period 2021 to 2024, which is updated annually with the help of the Governor's Membership Engagement Committee. This strategy acknowledges that it is a responsibility of a Foundation Trust to recruit, communicate and engage with members as a means of ensuring service provision meets the needs of service users. The Trust's strategy aims to recruit a representative membership base that is actively engaged in working for the good of the Trust. It also considers and monitors engagement levels through annual surveys and by tracking response rates to in year activity. Other work includes targeting specific groups of members to ensure that the Trust membership is representative of the population it serves.

The Trust's Membership Strategy is supported by a full action plan which outlines how the strategic aims will be implemented and the objectives of the strategy achieved. Performance against this Strategy will be overseen by the Council's Membership Engagement Committee.

2.2.13 Keeping in touch with members

Governors are accessible to members via email and at the regular Council of Governors meetings. They also attend our Expert Talks and other public events (see Stakeholder Relations) and play an important role in recruiting new members. However, Covid-19 had impacted on the Governor's ability to hold meetings or engage with other organisations such as local GP practices but with restrictions lifted the Council was able to recommence membership engagement events. These events allow Governors to describe the role of a Trust member and gather feedback on services across the Trust and its future plans. All feedback is then shared with our Patient Engagement and Experience Committee to help us continue to improve services.

Governors can be contacted via a Trust generic email address which is advertised on the Trust website and through other communications sent to members.

An individual must be at least 16 years old to become a member of the Trust. At the 31 March 2023 the Trust had 8372 public members, the table below summaries the constituencies these fall within.

Constituency	*Membership as at 31 March 2021*	*Membership as at 31 March 2022*	*Membership as at 31 March 2023*
Adur	1151	1129	1047
Arun	2417	2368	2224
Brighton and Hove	N/A	493	509
Chichester	2028	1916	1886
Horsham	561	577	580
Mid Sussex	N/A	194	208
East Sussex	N/A	175	180
Worthing	1369	1396	1321
Patient/Out of Area	230	282	417

All staff are automatically enrolled as members on starting employment with the Trust.

2.2.14 Disclosures and declarations of interests

The Chair of the Council of Governors has not declared any other significant commitments that require disclosure. The Chair submits an Annual Declaration of Interest Statement and Fit and Proper Person Declaration.

Governors are required to complete a Declaration of Interest which is held on a Trust Register and is made publicly available on the Trust's website. This is available at https://www.uhsussex.nhs.uk/resources/governors-register-of-interests-2022-2023/

2.2.15 Resolution of disputes

The Trust Constitution sets out at Section 12 the process for dealing with any dispute between the Council of Governors and Trust Board. The Council of Governors and Trust Board have a positive working relationship and the process has not been used during the 2022/23 year.

2.3 Staff Report

University Hospitals Sussex NHS Foundation Trust employs nearly 20,000 people in a range of different roles across the organisation. By the end of March 2023, we employed 14,589 WTE substantive staff and engaged an additional 1,425 WTE temporary staff via bank and agency. Each and every member of our staff works to ensure our patients receive excellent quality care.

Our staff continue to consistently demonstrate their willingness to go over and above to ensure high quality care is delivered to the people of Sussex. We ensure that we take opportunities to thank our staff in a variety of ways

including Star of the Month awards, an annual staff award ceremony and long service awards which all re-started this year.

Average number of employees (WTE basis not actual staff employed) (subject to audit)

Average number of employees (WTE basis)	***2022/23 31 March 2023***			***2021/22 31 March 2022***		
Staff type	***Permanent***	***Other***	***Total***	***Permanent***	***Other***	***Total***
Medical and dental	2,269	148	2,417	2,226	79	2,305
Ambulance staff	12	N/A	12	14	N/A	14
Administration and estates	2,840	138	2,978	2,842	162	3,004
Healthcare assistants and other support staff	965	170	1,135	1,016	168	1,184
Nursing, midwifery, and health visiting staff	6,251	899	7,150	6,067	841	6,908
Nursing, midwifery, and health visiting learners	N/A	N/A	N/A	N/A	N/A	N/A
Scientific, therapeutic, and technical staff	1,769	67	1,836	1,803	73	1,876
Healthcare science staff	476	3	479	464	8	472
Social care staff	N/A	N/A	N/A	N/A	N/A	N/A
Other	7	N/A	N/A	N/A	N/A	N/A
Total average numbers	***14,589***	***1,425***	***16,014***	***14,432***	***1,331***	***15,763***
Of which:						
Number of employees (WTE) engaged on capital projects	53	17	70	53	9	62

Staffing costs (subject to audit)

Staff group	***2022/23***			***2021/22***
£000	***Permanent***	***Other***	***Total***	***Total***
Salaries and wages	722,658	N/A	722,658	644,830
Social security costs	76,558	N/A	76,558	67,806
Apprenticeship levy	3,439	N/A	3,439	3,216
Employer's contributions to NHS pension scheme	113,966	N/A	113,966	107,445
Temporary staff	-	42,620	42,620	27,813
Total gross staff costs	**916,621**	**42,620**	**959,241**	**851,110**
Of which				
Costs capitalised as part of assets	2,699	2,458	5,157	2,646

2.3.1 Diversity and inclusion policies, initiatives and longer term ambitions

Our vision is for equality, diversity and inclusion to be a 'golden thread' running through, and central to, how we work together to provide sustainable, high-quality patient-centred care for all people we serve.

Our vision is intended to provide a focus for the delivery and development of all our services as follows:

Our patients and service users:

- Have confidence their individual needs and beliefs are taken seriously, and they are treated with dignity and respect.
- Know their individual life chances and wellbeing are enhanced by the Trust's commitment to Equality, Diversity and Inclusion.
- Are happy to choose, to use and to recommend the organisation.

Our staff:

- Feel valued and fairly treated in an organisation that really cares.
- Know the Trust as an organisation that people want to come and work for, stay with and thrive in, because of its commitment to Equality, Diversity and Inclusion.
- Are proud to work in an open and inclusive organisation.

Our communities:

- Are assured that the Trust engages with the diverse communities based on mutual interest and respect.
- Have confidence that the Trust is active in tackling inequality, making services accessible, solving problems, delivering solutions and willing to learn.
- Know that the Trust is responsive to the challenges faced by people in relation to diverse needs and communicates appropriately.

Our organisation:

- Lives its values consistently across all sites.
- Demonstrates long-term, consistent commitment to Equality, Diversity and Inclusion for the people it serves.
- Is a positive, innovative and 'can do' place to be.

Our Equality, Diversity and Inclusion policies and practices are all aimed to support our vision where regardless of their connection with our organisation, everyone has a lived experience which is free from discrimination, harassment and abuse.

We take our duties and responsibilities as an inclusive employer in the public sector, and more specifically in the NHS, very seriously. As a public sector organisation extra care is taken to monitor decisions that could unfairly affect any particular protected characteristic of staff, carers, volunteers, patients and their families.

We also really value the work of our many volunteers across the Trust who are integral to our workforce, have very diverse backgrounds and support our equality agenda.

Our Trust Board is actively engaged with our work on Equality, Diversity and Inclusion. This has extended to the Sussex Health and Social Care Partnership with active representation on the Sussex Race Equality Board working to eliminate the disparity in outcomes specifically for staff who identify themselves from Black, Asian and Minority Ethnic communities. This has

informed a system wide work plan aimed to improve Board and senior management diversity as well as reducing the amount of discrimination, harassment and abuse our Black, Asian and Minority Ethnic communities are subjected to. The Trust has signed up to these commitments. We have appointed a new EDI team following the retirement and relocation of staff and have taken the opportunity to create roles providing data analytic support and support for our staff networks. Our Board has also been engaged in workshops on EDI and the development of our Trust plans, together with staff representing the staff networks.

The Trust has a number of staff networks these include:

SOAR Staff Network - supporting the Race Equality Agenda through active engagement and involvement across UHSussex. The network has supported advice on a number of issues and has particularly highlighted issues of disparity in the experience of our BAME staff across a range of health and employment so that the issues can be identified and strategies to address them developed and deployed.

Disabled Staff Network - The network supports and empowers those covered under the Equality Act 2010 – by providing regular meet ups, newsletters and providing support and advice. Some of the core aims of the network include:

- Improving the understanding of what is a disability and who might be covered by the Equality Act 2010.
- Using member feedback to suggest project/workstreams to improve disability equality within the workforce.
- Growing the network, including allies, and achieving equality for those covered under the Act.

LGBTQi+ Network – The network ensures LBGTQi+ colleagues and patients are protected, respected, listened to and represented at the UHSussex. The network aims is to continually improve the experiences of our LGBTQi+ colleagues and patients.

How members benefit:

- The network hosts social, networking and sports events for our members
- The network provides advice on Trust policy and give confidential support to LGBTQi+ colleagues
- Running training programmes for mental wellbeing and mentoring.

The network has been very involved with local Pride events attending all but one of the Pride events in Sussex in 2022-23.

Religion or Belief Forum – the Trust has established a religion or belief form led by the Lead Chaplains. The Forum focuses on Religion or Belief issues in the Trust and local health community and works in collaboration with faith groups and various local organisations.

Menopause café these have been run to support staff through menopause and have proved popular.

Diversity Matters Steering Group - this key steering committee helps to ensure that equality, diversity and inclusion are at the heart of the Trust's strategic plans and reports to the People Committee. All of the staff and patient networks and forums feed into this committee, and the group provides oversight and governance in the delivery of inclusion initiatives.

NHS England Workforce Equality Standards

The NHS uses two measure to track progress on inequalities: the Workforce Race Equality Standard (WRES) and the Workforce Disability Equality Standard (WDES).

These are informed by the national staff survey and data extracted from the Electronic Staff Records (ESR) system, and track the Trust's position against a number of key indicators. The information informs our action plans and activities to reduce discrimination and promote equality.

WRES data for 2022-23 showed that:

- BAME staff were relatively:
    - less likely to be appointed from shortlisting.
    - less likely to enter the formal disciplinary processes.
    - as likely to access non mandatory training and CPD.

- From the 2022 staff survey BAME staff reported a worse experience than white staff for experiencing harassment, bullying or abuse from patients relatives or the public with 38% of BAME staff reporting this against 32% of white staff (the national averages were 31% of BAME staff and 27% or white staff). The Trust has established a violence and aggression steering group to lead work on preventing bullying or abuse and is working with ICS colleagues on this issue too.

- BAME staff similarly reported a worse experience than white staff for experiencing harassment, bullying or abuse from staff with 28% of BAME staff reporting this against 25% of white staff (the national averages were 29% of BAME staff – slightly more than at UHSussex - and 23% for white staff).

- In relation to staff believing the organisation provides equal opportunities for career progression 50% of BAME staff agreed with this and 54% of white staff. The national averages were 47% of BAME staff and 59% of white staff.

- Staff reporting experiencing discrimination from their manager, team leader or colleagues were 16% of BAME staff and 8% of white staff. The national averages were 17% of BAME staff and 7% of white staff.

- BAME representation on the board is not proportionate to or representative of the BAME workforce at the Trust.

The Trust continues to work on a number of initiatives to support improvements in inclusion and reducing discrimination informed by our staff networks.

WDES data for 2022-23 showed that:

- Disabled staff were relatively:
    - less likely to be appointed from shortlisting.
    - less likely to enter a capability process.

Staff survey data for 2022 showed:

- Disabled staff reported a worse experience than other staff for experiencing harassment, bullying or abuse from patients relatives or the public with 39% of disabled staff reporting this against 31% of other staff (the national averages were 33% of disabled staff and 26% of non-disabled staff). The Trust has established a violence and aggression steering group to lead work on preventing bullying or abuse.

- Disabled staff also reported a higher experience than non-disabled staff of harassment, bullying or abuse from staff with 29% of disabled staff reporting this against 18% of others (the national averages were 27% of disabled staff and 18% of other staff).

- In relation to disabled staff believing the organisation provides equal opportunities for career progression 51% of disabled staff agreed with this and 54% of other staff. The national averages were 51% disabled and 57% other staff.

- Disabled staff reporting reasonable adjustments being made to enable them to work was 73% compared with 72% nationally.

The Trust's disability network is being supported to assist the Trust take action on these issues as part of its EDI plans.

The Trust made a successful Disability Confident accreditation application that moved it to level 3.

2.3.2 Gender and Gender Pay Gap

Gender Pay Gap reporting shows the difference in average hourly pay and bonus payments between men and women. The Trust is required to analyse the information to identify:

- the level of gender equality.
- the balance of male and female employees in each of four salary range quartiles.
- how effectively talent is being maximised and rewarded.

and to use this to identify any underlying root causes for the gender pay gap and put in place remedial actions to address and mitigate this.

The benefits of reporting Gender Pay Gap include building a reputation for being known as a fair and progressive employer, attracting a wider pool of recruits, enhancing productivity and creating a culture committed to tackling inequality. The Trust submits data annually to the Government's statutory gender pay gap reporting portal.

The overall gender split within the overall workforce at 31 March 2023 was 73.19% female and 26.81% male.

The proportion of males and females divided into four quartiles ordered from lowest to highest paid is as follows:

Quartile	*Gender*	*Number of employees*	*% of Employees*
1 (lowest paid)	Female	3,070	72.84
	Male	1,145	27.16
2	Female	3,183	74.75
	Male	1,075	25.25
3	Female	3,432	80.85
	Male	813	19.15
4 (highest paid)	Female	2,730	64.31
	Male	1,515	35.69
Totals	**Total female staff**	**12,415**	**73.19**
	Total male staff	**4,548**	**26.81**

In UHSussex, women occupied 64% of the highest paid jobs and 73% of the lowest paid jobs.

The largest representation of women (81%) was in the third pay quartile, compared to 73% in the overall employee workforce.

In UHSussex, men occupied 36% of the highest paid jobs and 27% of the lowest paid jobs, compared to representation of 27% in the workforce overall.

The table below shows the mean and median hourly rates for male and female employees in the Trust and the actual gap in monetary and percentage terms as at March 2023. The 2022 figures are shown in brackets.

Table: mean and median hourly rates

Gender	*Mean Hourly Rate (prior year)*	*Median Hourly Rate (prior year)*
Male	£21.79 (£22.14)	£16.52 (16.52)
Female	£17.78 (£17.83)	£16.32 (£16.13)
Difference	£4.00 (£4.31)	£0.20 (£0.39)
Pay Gap %	18.38% (19.50%)	1.2% (2.4%)

There is a 18.38% (19.50% in 2021) difference in favour of male employees when using the mean hourly rate.

This moves to 1.2% in favour of male employees when the median hourly rate is used (noting that the median is a more indicative measure). This compares to 2.4% in favour of male employees in 2021. In UHSussex, women therefore earned 99p for every £1 that men earned when comparing median hourly pay.

Looking at bonus pay the table below includes Medical and Dental employees who received a local Clinical Excellence Award (CEA) and any Very Senior Managers (VSM) who received a bonus/performance related pay. The Trusts gender pay gap in bonus pay is significantly driven by the distribution of local CEAs to consultant medical staff.

Table: Bonus payments including CEAs

Gender	*Mean*	*Median*	*Mean Difference*	*Median Difference*	*Mean Pay Gap %*	*Median Pay Gap %*
Female	8,482.54	3,769.94	7,247.62	6,536.25	46.07	63.42
Male	15,730.16	10,306.19				

In UHSussex, women earned 37p for every £1 that men earn when comparing median bonus pay. Their median bonus pay was 63% lower than men's.

There is a general reduction in the gap in both the mean and median, which is a positive decrease primarily driven by the equal distribution of CEA payments in the years 2019-2022.

The Trust will have more discretion about how CEA monies are distributed for the 2023-24 round.

The Trust's information on equality and the gender pay gap can be found on our website at https://www.uhsussex.nhs.uk/about/trust/equality-diversity/. Further information is also available on the cabinet office website https://gender-pay-gap.service.gov.uk/

2.3.3 Strategies and Processes applied in respect of Health and Wellbeing

The health, safety and wellbeing of staff have been a key component in supporting staff and their engagement for a number of years.

We have continued to strengthen our health and wellbeing programme with a wide variety of interventions to support the emotional and physical health of staff. This has included a series of wellbeing workshops being held across the organisation utilising art therapy, establishing defined staff rest areas, our psychological support and mental health first aid training and our 'Schwartz Rounds' – safe places for conversations. This year we have also launched a staff hardship fund one of many initiatives form the support we have continued to receive from charity funds that have directly enabled some of these provisions.

We have reviewed our staff appraisal which include a focus on health and wellbeing learning from the pandemic.

Throughout 2022/23, the Trust Board, through its sub-committees, has been kept informed and updated on the health, safety and wellbeing of staff. This is a strategic risk for the Trust and how it is managed and mitigated is regularly reviewed through the Board Assurance Framework.

For 2022-23, we focussed our health and wellbeing programme on five key themes which were; leading wellbeing, prevention and self care, intervention, support and data and metrics. We introduced wellbeing hubs across our hospitals, improved our intranet guidance and support, promoted financial advice and supported our staff to help make healthy lifestyle choices.

2.3.4 Sickness absence

Sickness absence has continued to be monitored and managed throughout the year. Sickness rates are reported monthly as a percentage of absence in month and as a 12-month rolling rate. This highlights the seasonal fluctuations that occur month on month but also whether improvement is being made.

During 2022/23, the 12-month sickness absence rolling rate has increased to 5.92% in March 2023. The percentage of short-term sickness increased to 3.36% and long-term sickness also increased to 3.36% (March 2023). The HR Employee Relations team are supporting the management of long-term sickness and providing proactive, ad hoc training and support and supporting staff to return to work and preventing ill health remains a priority in 2023-24. There is work to review absence rates, understand the underlying reasons and to improve support for staff.

The Trust's sickness absence data can be found on NHS Digital's publication series on NHS Sickness Absence Rates. This can be found at NHS Sickness Absence Rates - NHS Digital

2.3.5 Improving staff engagement

Improving staff engagement is the strategic objective for the People domain of Patient First and it is the Trust's aim to become the top performing acute Trust. We aim to be in the top half of Trusts in 2023-24.

2022/23 and the reductions in the level of Covid and reduced restrictions on meetings have gradually allowed a return to face to face meetings although the Trust has continued to make use of technology to improve access to information and engagement with staff. We have run a Trust-wide face to face events (our education conference, long service thank you lunches, awards ceremonies) and regular leader gemba walks (visiting clinical and other areas). Face to face training and staff induction has also been able to re-start in 2022-23.

We continue to use MS Teams extensively to engage with staff more widely and have a programme of weekly e-mails and communications. These include Executive-led briefings and Q&A, CEO and COO briefings and other

newsletters and information exchanges. A number of Divisions introduced their own 'staff listening' events.

There has been engagement on some key projects such as the new Louisa Martindale Building, including engagement on the choice of name, and the necessary service changes that will involve.

Staff engagement, as measured through the annual staff survey, was 6.5 (out of 10) in 2022 (compared to a national average of 6.8. Our local measure of engagement through our monthly staff pulse survey has seen this improve since December 2022.

The Trust also engages with its recognised trade union and staff side representatives both informally and formally through its Joint Negotiating and Consultative Committee (JNCC) and Joint Local Negotiating Committee (for medical staff). We have developed a good relationship with our staff side colleagues over the years and our approach is early engagement and resolution on matters of concern.

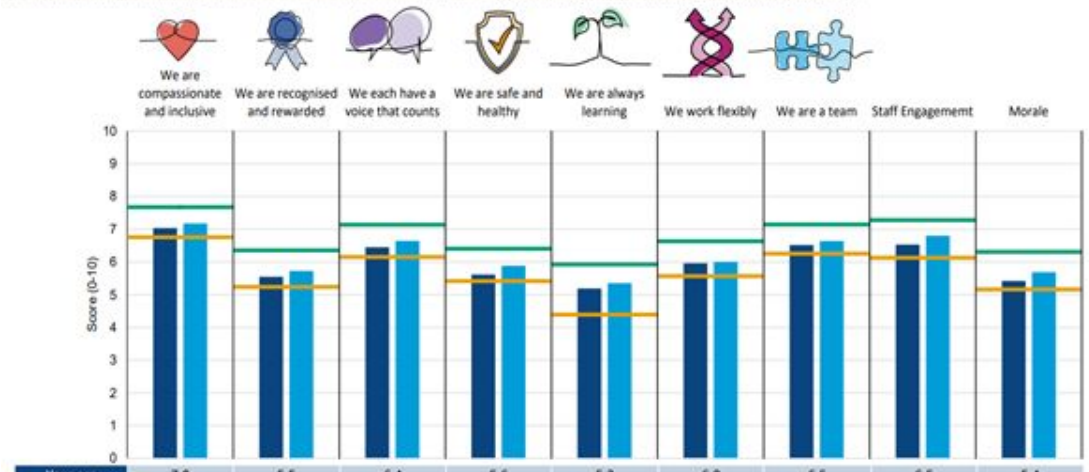
2.3.6 Staff survey 2022

For the 2022 survey (conducted in Autumn 2022) the overall response rate for UHSussex was 45% (7,388 staff). The Trust is just above the 2022 average response rate of 44% for our sector (Acute and Acute and Community Trusts).

The results are reported against the 7 People Promises and 2 Themes to measure staff experience. Compared to the average score for our sector we are between 0.1 and 0.3 under the average on all pillars, see below for our summary performance. Staff Engagement is the only pillar we can make a historical comparison on due to change within the survey and therefore question level comparison is possible on historic questions. This was a very similar position to the 2021 survey.

Summary Theme Results: UHSussex (*is indicated as your org*)

All of the People Promise elements, themes and sub-scores are scored on a 0-10 scale, **where a higher score is more positive than a lower score.**



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagememt	Morale
Your org	7.0	5.5	6.4	5.6	5.2	6.0	6.5	6.5	5.4
Best	7.7	6.4	7.1	6.4	5.9	6.6	7.1	7.3	6.3
Average	7.2	5.7	6.6	5.9	5.4	6.0	6.6	6.8	5.7
Worst	6.8	5.2	6.2	5.4	4.4	5.6	6.3	6.1	5.2
Responses	7339	7330	7272	7310	6972	7286	7321	7358	7352

Our long-term objective is to achieve a staff engagement score within the top 20% in the country. Our Staff Engagement score for 2022 has decreased from 6.6 in 2021 to 6.5 out of 10 in 2022. We are 0.3 under the National Acute and Acute & Community Trust average score of 6.8.

Overall UHSussex has seen a decline in comparable questions from 2022. 18% of questions showed significant decrease vs 2021. 14% showed significant improvement and 67% no significant change.

The following table sets out the year on year change and comparison with comparator Trusts:

People Promise / Theme	*2021 National Sector average*	*2022 National Sector average*	*Sector Variance 21-22*	*2021 UHSx*	*2022 UHSx*	*UHSx Variance 21-22*
We are Compassionate and Inclusive	7.2	7.2	SAME	7.1	7	**-0.1**
We are recognised and rewarded	5.8	5.7	-0.1	5.6	5.5	**-0.1**
We each have a voice that counts	6.7	6.6	-0.1	6.5	6.4	**-0.1**
We are Safe and Healthy	5.9	5.9	SAME	5.7	5.6	**-0.1**
We are always learning	5.2	5.4	0.2	5	5.2	**0.2**
We work Flexibly	6	6	SAME	5.9	6	**0.1**
We are a team	6.6	6.6	SAME	6.5	6.5	**SAME**
Staff Engagement	6.8	6.8	SAME	6.6	6.5	**-0.1**
Morale	5.7	5.7	SAME	5.5	5.4	**-0.1**

Note - The sector average by which the Trust is compared with is for all other acute and acute and community Trust's.

The staff survey results are used to inform workforce priorities for 2023/24 and to drive and monitor Divisional progress to increase staff engagement (our People True North). We also developed a new Breakthrough Objective in September 2022 to increase the number of staff confident that if they raised an issue they would be listened to and something would be done – 'staff voice that counts'. This work has shown improvements made and is tracked at Strategic Development Reviews (SDR) through the use of people improvement driver metrics. Accountability and monitoring of these improvements are undertaken through the People Committee.

2.3.7 Staff Turnover

Staff turnover reduced has remained relatively stable across the year at between 9% and 10% - ending the year at 9.98%. The Trust is working to reduce turnover in entry level roles through a programme of support and mentoring for new starters.

Our new rostering system for non-medical staff is supporting the working lives of staff though improved planning with rotas being issued 6 weeks in advance.

Implementation of the Clinical Operating Model has stabilised the leadership of Divisions and provided clarity of line management and should have a positive impact on retention.

Further information can be obtained at NHS workforce statistics - NHS Digital

2.3.8 Process applied to support Learning and development

At University Hospitals Sussex NHS Foundation Trust, we aim to foster an inclusive culture of education, training and development for all staff and are particularly proud of the career progression pathways we offer.

We have established partnerships with a number of education providers including the Brighton and Sussex Medical School, Universities of Brighton, Chichester and Surrey who provide learning and development opportunities for healthcare professionals. Further to this, we have a range of education and training providers that we work with to provide opportunities for those members of staff who aren't clinical as part of their development.

The Trust receives both medical and non-medical educational funding from Health Education England (HEE) and during 2022/23 this was used to support the Education, Training and Continuous Professional Development (CPD) of our students, trainees registered nurses and allied health professionals, advancing clinical practice and the development of new workforce roles.

We continue to invest in the professional development of both clinical and non-clinical staff through the apprenticeship training pathways and continue to develop training pathways to support our workforce development pathways:

Apprenticeships	***Worthing & Southlands***	***Royal Sussex County and Princess Royal***	***Combined***
Total apprentice starts 22/23	104	98	**202**
Clinical apprentices starts	48	49	**97**
Non-clinical apprentice starts	30	18	**48**
of which			
Level 6 (degree) & Level 7 (masters) starts	19	21	**40**
Trainee nurse associate starts	7	10	**17**
Total apprentices on programme as of 31st March 2023	**310**	**372**	**682**
Clinical apprentices on programme	191	183	**374**
Non- Clinical apprentices on programme	19	57	**76**
of which			
Level 6 (degree) & Level 7 (masters) on programme	**67**	**64**	**131**
Trainee nurse associates on programme	33	68	**101**

Apprenticeships	*Worthing & Southlands*	*Royal Sussex County and Princess Royal*	*Combined*
Numbers completed during 22/23	**15**	**31**	**46**
Clinical completers	13	20	**33**
Non-clinical completers	2	11	**13**

Our speciality programmes aim to produce high-quality clinicians with a broad range of skills that will enable them to practice as Consultants across the United Kingdom. We continue to support HEE in their national programme of work of repatriation of training posts out of London, which has resulted in an increase of 12 – 15 FY programmes and 28 ST3+ posts across the Trust from August 2022.

Attendance on statutory and mandatory training was impacted by the pandemic and high workloads over Winter 2022-23 however although not yet hitting our target of 90% has improved on the year end position for March 2023 to 88.65%. We aim to achieve compliance in 2023 although note that we will need to introduce a couple of new mandatory programmes which may affect rates as staff start to undertake.

2.3.9 Health and safety

Health and safety compliance at University Hospitals Sussex NHS Foundation Trust is managed by the Health and Safety Team and monitored by the Health and Safety Committee on a quarterly basis which reports to the Audit Committee along with the reporting of any Health and Safety Risks to the Quality Governance Steering Group. A Health and Safety Report is also published annually and made available to staff via along with the Policy for the Management of Health, Safety and Risk.

The Health and Safety Committee reviews reports, policies and accident data on issues relating to the following areas of health and safety: fire, manual handling, security, training, estates and facilities, occupational health, staff incidents, stress, radiation protection and non-clinical risk management. Health and safety incidents are logged on the Trust's Datix incident reporting system, while risk assessments encapsulating the breadth of Health and Safety areas including dangerous substances, display screen equipment, fire, security, estates, radiation protection, manual handling and staff wellbeing are carried out using the Safety, Health and Environment (SHE) software package.

Health and safety training is mandatory for all staff on induction and then on a triennial cycle with compliance performance monitored as with all mandatory training at the Board's People Committee.

2.3.10 Fraud, bribery and corruption statement

University Hospitals Sussex NHS Foundation Trust is committed to eliminating fraud and corruption within the NHS, freeing up public resources for better

patient care. To this end, the Trust deploys a specialist counter-fraud service to provide a comprehensive programme against fraud and corruption which is overseen by the Trust's Audit Committee.

All anti-fraud and corruption legislation is complied with. It is a criminal offence to give, promise or offer a bribe, and to request, agree to receive, or accept a bribe. A bribe may take the form of any financial or other advantage to another person in order to induce a person to perform improperly.

Although the Bribery Act permits hospitality, all staff are required to consider on an individual basis whether accepting any hospitality offered is appropriate and should they then elect to take it, to record it within the Trust's Hospitality register (in line with the Receipt of Hospitality, Gifts and Inducements Policy) so that it has been fully disclosed.

It is also important that all of our contractors and agents comply with our policies and procedures.

When entering into contracts with organisations the Trust follows the NHS standard terms and conditions of contract for the purchase of goods and supplies.

We ask all who have dealings with the Trust, as employees, agents, trading partners, stakeholders and patients, to help us in our fight against fraud and corruption and to contact the counter-fraud service in confidence if they have any concerns or suspicions.

We have maintained across 2022/23 our increased our anti-fraud surveillance work that recognising the increased pressure the Trust is under and recognising the intelligence provided by the NHS Counter Fraud Authority who through the Local Counter Fraud Specialist provide regular and frequent anti-fraud bulletins.

2.3.11 Exit packages (subject to audit)

There was one exit package in 2022/23 which had HM Treasury approval in the range of £25,001 - £50,000. (There were no exit packages in 2021/22).

2.3.12 Off-payroll engagements

The Trust did not make any off-payroll engagements in the financial year. (There were no off payroll engagements in the prior year)

2.3.13 Trade Union Facility Time

Our relationship and partnership working with our trade unions is a key tenant of our employee relations strategy. We have continued to foster a strong partnership where areas of concern are identified and we pay attention to resolution and learning. There has been strong collaboration on issues throughout the year, including harmonising policies within the merged Trust, supporting staff through the pandemic and managing the vaccination of staff.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 with further guidance provided by the Cabinet Office require the Trust to disclose the amount of facility time undertaken by trade union officials.

The table below relates to the period 1 April 2022 to 31 March 2023 (prior year figures are in brackets) noting the Trust is required to publish this information annually by the 31 July each year.

Table 1 - Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	*Full-time equivalent employee number*
86 (91)	79.68 (80.20)

Table 2 - Percentage of time spent on facility time

How many employees who were relevant union officials employed during the relevant period spent their working hours on facility time	
Percentage of time	*Number of employees*
0%	0 (32)
1% - 50%	86 (59)
51% - 99%	0 (0)
100%	0 (0)

Table 3 - Percentage of pay bill spent on facility time

The percentage of total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period	
Total cost of facility time	£70,787 (£43,718)
Total pay bill	£954,084,000 (£825,780,616)
Percentage of the total pay bill spent on facility time	0.07% (0.01%)

Table 4 - Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours
5% (0%)

Within the year there has been slight decrease in the number of the Trade Union representatives but their level of activity has increased noting that during this period there have been industrial action taken and the Trust has been supporting its staff through these.

2.3.15 Statement on social responsibility

University Hospitals Sussex NHS Foundation Trust reflects its social responsibility within the way it undertakes its business, this is from the recruitment, retention and development of our staff as noted within this report in respect of our equality, diversity and inclusion work through to way we deliver of services making them accessible and environmentally sustainable again as detailed within this report through to our wider responsibility to work with our partners with regard to our responsibilities under safeguarding to protect our patients and their families and careers.

…… 28 June 2023

Dr George Findlay, Chief Executive

2.4 Remuneration Report

2.4.1 Annual statement on remuneration

It is the responsibility of the Appointment and Remuneration Committee of Non-Executive Directors to oversee the pay arrangements of Executive Directors and Very Senior Managers, details of the committee can be found within the 'How the Trust is Run' section of this report. During the period of this report there were initial appointments made to the Executive and Very Senior Managers of the Trust with salaries determined in accordance with national guidance and benchmarks.

2.4.2 Senior Managers Remuneration Policy

Initial salaries are determined on appointment with reference to the nature of the role, responsibilities, previous experience and expertise of candidates and the need to offer competitive remuneration that represents value for money for the taxpayer, informed by national guidance and benchmark pay ranges (with necessary opinion sought for any salaries over £164k per annum).

All Directors' performance is subject to an annual appraisal the outcome of which is reported to the Appointment and Remuneration Committee by the Chief Executive. This is prior to any decision being made on any increase to Executive remuneration.

For the Chief Executive Officer, their appraisal is undertaken by the Chair of the Trust with a report then submitted to the Committee.

The annual appraisal method is chosen as it is an effective way to assess performance against a range of performance targets and leadership responsibilities, and includes feedback from Non-Executive Directors and peers as part of a 360 degree feedback process.

In coming to any decision on remuneration, the Committee takes account of the circumstances of the Trust, the size and complexity of the role, any changes in the Directors portfolio, the performance of the individual and any appropriate national guidance. Senior managers are remunerated based on these decisions. Any performance related pay award by the Committee is within the context of the NHS Very Senior Managers Pay Framework and guidance.

In considering Senior Managers Pay the Committee takes note of national benchmark data provided by NHS Providers and the requirement to consider any pay above a threshold of £164,000 per annum as per Cabinet Office guidance.

2.4.3 Future policy table

Please see in the following table details of the components of the remuneration package for senior managers.

Component of pay	Link to short and long-term strategic goals	How the Trust operates this in practice	Maximum limit	Performance measures
Base salary	To promote the long-term success of the Trust by attracting and retaining high calibre senior managers in a competitive marketplace.	The Committee reviews the following in setting remuneration for senior managers: • Role, responsibilities and accountabilities • Skills, experience and performance • Trust performance • Pay awards across the Trust • Local and national market conditions • Advice from NHSI/Ministerial opinion • Benchmarking The committee reserves the right to approve specific increases in exceptional cases, such as major changes to a senior manager's role.	There is no prescribed maximum limit. Some of our senior managers are paid more than £161,401 which is the amount equivalent to the Prime Minister's ministerial and parliamentary salary. In these instances, the Remuneration Committee has taken steps to assure itself that the pay received by these individuals is commensurate with market conditions, the responsibilities and duties of the role, and is regularly reviewed to ensure that the Trust is receiving value-for-money	Trust overall performance and individual appraisal (inc 360 feedback)
Taxable benefits		Senior managers' benefits include: Pension-related benefits Access to car lease and other schemes the same as other staff.	There is no prescribed maximum limit.	Not applicable

Component of pay	Link to short and long-term strategic goals	How the Trust operates this in practice	Maximum limit	Performance measures
Pension		The Trust operates the standard NHS Pension Scheme and a NEST scheme for those ineligible to join NHSPS.	As per standard NHS Pension Scheme.	Not applicable
Performance related pay	The Trust has not applied a performance related pay regime for 2022/23			

Base salaries are set in line with market information and are designed to ensure retention, or recruitment, of the calibre and experience required to deliver the aims of the Trust. Salaries are revised annually and uplifted only if:

- There is demonstrable evidence that an uplift is required to keep in line with the market.
- A change in portfolio necessitates an uplift.

2.4.4 Service contracts obligations and Policy on payment for loss of office

HM Treasury has issued specific guidance on severance payments within 'Managing Public Money' and special severance payments when staff leave requires Treasury approval.

All contracts are permanent with no fixed end date. There are no contractual provisions for payments on termination of contract.

The table below shows the date of contracts and notice periods during the last year.

Name	***Title***	***Date of Contract***	***Notice period from the Trust***	***Notice period to the Trust***
Dr George Findlay*	Chief Executive	1 June 2022	6 months	6 months
Karen Geoghegan	Chief Financial Officer	1 February 2014	6 months	6 months
Dr Maggie Davies	Chief Nurse	1 May 2019	6 months	6 months
Leanne McLean **	Interim Chief Nurse support from 21 March 2023 ***	21 March 2023	1 week	1 week
David Grantham	Chief People Officer	14 June 2021	6 months	6 months
Dr Andy Heeps*	Deputy Chief Executive and Chief Operating Officer	1 September 2021	6 months	6 months
Ellis Pullinger **	Interim Chief Operating Officer (1	1 April 2022	1 month	1 month

Name	*Title*	*Date of Contract*	*Notice period from the Trust*	*Notice period to the Trust*
	April 2022 to 31 May 2022)			
Dr Charlotte Hopkins**	Chief Medical Officer until 31 August 2022	1 January 2022	1 month	1 month
Dr Rob Haigh	Chief Medical Officer from 1 September 2022 to 31 March 2023	1 September 2022	3 months	3 months
Darren Grayson	Chief Governance Officer	2 March 2022	6 months	6 months

*Dr George Findlay was on secondment to Medway NHS Foundation Trust until 2 June 2022 when returned as CEO. For the period 1 April to 1 June Dr Andy Heeps acted as CEO

**Fixed term contracts

*** this appointment was made to support planned leave of the Chief Nurse

2.4.5 Statement of consideration of employment conditions elsewhere in the Foundation Trust

In considering any decision on remuneration the Committee takes note of both the organisational and national context, and as described in section 2.4.3 national NHS (market) benchmarking provided from sources including NHS Providers.

University Hospitals Sussex NHS Foundation Trust

2.4.6 Salary and pension entitlements of senior managers

Remuneration 2022/23 (subject to audit)

	Salary Bands of £5,000 a	Total expenses Nearest £100 b	Bonus Bands of £5,000 c	L/term bonus Bands of £5,000 d	Pension Benefit Bands of £2,500 e	Total Bands of £5,000 f
Dr George Findlay Chief Executive (from June 2022)	**190 - 195**	1,700	-	25 - 30	65 - 67.5	280 - 285
Dr Andy Heeps Interim CEO (April 2022 to May 2022) Deputy CEO (from June 2022)	**200 - 205**	2,000	-	-	85 - 87.5	285 - 290
Karen Geoghegan Chief Financial Officer	**195 - 200**	200	5 - 10	-	-	205 - 210
Dr Maggie Davies Chief Nurse	**170 - 175**	4,600	5 - 10	-	87.5 - 90	270 - 275
Dr Rob Haigh Interim Chief Medical Officer (from 1 September 2022)	**170 - 175**	-	-	35 - 40	15 - 17.5	225 - 230
Dr Charlotte Hopkins Interim Chief Medical Officer (Term ended 31 August 2022)	**55 - 60**	-	-	-	-	55 - 60
David Grantham Chief People Officer	**170 - 175**	900	-	-	70 - 72.5	240 - 245
Darren Grayson Chief Governance Officer	**150 - 155**	-	-	-	-	150 - 155
Ellis Pullinger Interim COO (April 2022 to May 2022)	**80 - 85**	-	-	-	-	80 - 85
Leanne Mclean Interim Chief Nurse (from March 2023)	**10 - 15**	-	-	-	-	10 - 15
Alan McCarthy Chairman	**70 - 75**	700				75 - 80
Joanna Crane Non-Executive Director (Term ended 30 June 2022)	**5 - 10**	-				5 - 10
Jon Furmston Non-Executive Director (Term ended 30 June 2022)	**0 - 5**	-				0 - 5
Elizabeth Peers Non-Executive Director	**20 - 25**	-				20 - 25
Patrick Boyle Non-Executive Director	**20 - 25**	500				20 - 25
Jackie Cassell Non-Executive Director	**15 - 20**	-				15 - 20
Claire Keatinge Non-Executive Director	**10 - 15**	-				10 - 15
Lucy Bloem Non-Executive Director	**15 - 20**	1,700				15 - 20
Lilian Philip* Associate Non-Executive Director	**5 - 10**	-				5 - 10
Bindesh Shah Non-Executive Director (from 1 July 2022)	**10 - 15**	-				10 - 15
David Curley Non-Executive Director (from 1 July 2022)	**10 - 15**	-				10 - 15
Professor Malcolm Reed Non-Executive Director (from 1 March 2023)	**0 - 5**	-				0 - 5
Paul Layzell Non-Executive Director (from 1 September 2022)	**5 - 10**	-				5 - 10
Sadie Mason* Associate Non-Executive Director (from 1 July 2022)	**0 - 5**	-				0 - 5

Expenses include travel, subsistence and hotel accomodation.

NHS
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Pension Entitlements as at 31 March 2023 (subject to audit)

	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2022 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2022 (nearest £1,000)	Cash Equivalent Transfer Value at 31 March 2021 (nearest £1,000)	Real increase in Cash Equivalent Transfer Value (nearest £1,000)	Employer's contribution to Stakeholder Pension
Karen Geoghegan Chief Financial Officer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr Maggie Davies Chief Nurse	5 - 7.5	5 - 7.5	55 - 60	155 - 160	1,255	1,138	95	Nil
Leanne McLean Interim Chief Nurse	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr George Findlay Chief Executive	5 - 7.5	0 - 2.5	85 - 90	140 - 145	1,587	1,482	60	Nil
Dr Charlotte Hopkins Interim Chief Medical Officer	-5 - -2.5	0	30 - 35	50 - 55	530	572	-26	Nil
Dr Rob Haigh Interim Chief Medical Officer	0 - 2.5	0 - 2.5	80 - 85	145 - 150	13	1,677	-967	Nil
David Grantham Chief People Officer	2.5 - 5	2.5 - 5	55 - 60	100 - 105	1,085	990	71	Nil
Dr Andy Heeps Deputy Chief Executive and Chief Operating Officer	5 - 7.5	2.5 - 5	45 - 50	80 - 85	745	656	61	Nil
Darren Grayson Chief Governance Officer	-2.5 - 0	0	60 - 65	175 - 180	1,571	1,406	147	Nil

Note: Karen Geoghegan chose not to be covered by the pensions arrangements during the year.
Note: Leanne Mclean is not a member of the Pension Scheme

Note: The figures above do not include future adjustment to the pension benefits and related CETVs do not allow for a potential future adjustment for some eligible employees arising from the McCloud judgement.

Note: Where members have not been employed by the Trust for the full financial year, the figures above show the pension entitlement earned during the whole year, including roles outside the Trust if eligible for the NHS Pension Scheme.

NHS
University Hospitals Sussex
NHS Foundation Trust

Remuneration 2021/22 (subject to audit)

	Salary Bands of £5,000 a	Total expenses Nearest £100 b	Bonus Bands of £5,000 c	L/term bonus Bands of £5,000 d	Pension Benefit Bands of £2,500 e	Total Bands of £5,000 f
Dame Marianne Griffiths Chief Executive	270 - 275	3,500	20 - 25	-	180 - 182.5	480 - 485
Karen Geoghegan Chief Financial Officer	190 - 195	200	5 - 10	-	-	200 - 205
Maggie Davies Chief Nurse	160 - 165	8,300	5 - 10	-	155 - 157.5	335 - 340
Carolyn Morrice Chief Nurse (April 2021 to August 2021)	65 - 70	100	-	-	12.5 - 15	80 - 85
Peter Landstrom Chief Delivery & Strategy Officer	165 - 170	12,100	5 - 10	-	70 - 72.5	255 - 260
Dr George Findlay Chief Medical Officer & Deputy Chief Executive (April 2021)	15 - 20	200	-	0 - 5	2.5 - 5	20 - 25
Prof. William Roche Interim Chief Medical Officer (May 2021 to January 2022)	85 - 90	2,900	-	-	-	90 - 95
Charlotte Hopkins Interim Chief Medical Officer (from January 2022)	50 - 55	-	-	0 - 5	15 - 17.5	75 - 80
David Grantham Chief People Officer (from June 2021)	130 - 135	-	-	-	100 - 102.5	235 - 240
Denise Farmer* Chief Culture & OD Officer	130 - 135	5,100	5 - 10	-	-	140 - 145
Dr Andy Heeps Managing Director West (September 2021 to December 2021) Deputy CEO (from January 2022)	100 - 105	100	-	-	87.5 - 90	190 - 195
Kate Slemeck Managing Director East (September 2021 to February 2022)	90 - 95	100	-	-	30 - 32.5	125 - 130
Darren Grayson Chief Governance Officer (from March 2022)	5 - 10	-	-	-	-	5 - 10
Alan McCarthy Chairman	70 - 75	700	-	-	-	75 - 80
Joanna Crane Non-Executive Director	20 - 25	-	-	-	-	20 - 25
Jon Furmston Non-Executive Director	15 - 20	-	-	-	-	15 - 20
Elizabeth Peers Non-Executive Director	20 - 25	-	-	-	-	20 - 25
Patrick Boyle Non-Executive Director	20 - 25	-	-	-	-	20 - 25
Jackie Cassell Non-Executive Director	15 - 20	-	-	-	-	15 - 20
Claire Keatinge Non-Executive Director (from July 2021)	5 - 10	-	-	-	-	5 - 10
Denise Holt Non-Executive Director (July 2021 to Mar-2022)	5 - 10	-	-	-	-	5 - 10
Lucy Bloem Non-Executive Director (from September 2021)	5 - 10	-	-	-	-	5 - 10
Kirstin Baker Non-Executive Director (April 2021 to August 2021)	5 - 10	-	-	-	-	5 - 10
Mike Rymer Non-Executive Director (April 2021 to May-2021)	0 - 5	-	-	-	-	0 - 5
Lilian Philip* Associate Non-Executive Director	5 - 10	-	-	-	-	5 - 10

* None voting member

Expenses include travel, subsistence and hotel accomodation.

Note: Dr Andy Heeps became Interim CEO from 1st April 2022
Note: Ellis Pullinger joined the Trust Board as Interim Chief Operating Officer on 1st April 2022

Note: Dr George Findlay was seconded to Medway NHS Foundation Trust from May-21
Note: Dr Charlotte Hopkins was seconded from Barts Health NHS Trust from Jan-22

University Hospitals Sussex NHS Foundation Trust

Pension Entitlements as at 31March 2022 (subject to audit)

	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2022 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2022 (nearest £1,000)	Cash Equivalent Transfer Value at 31 March 2021 (nearest £1,000)	Real increase in Cash Equivalent Transfer Value (nearest £1,000)	Employer's contribution to Stakeholder Pension
Karen Geoghegan Chief Financial Officer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr Maggie Davies Chief Nurse	5 - 7.5	5 - 7.5	55 - 60	155 - 160	1,255	1,138	117	Nil
Dr George Findlay Chief Medical Officer & Deputy Chief Executive	5 - 7.5	0 - 2.5	85 - 90	140 - 145	1,587	1,482	87	Nil
Dr Charlotte Hopkins Interim Chief Medical Officer	-5 - -2.5	0	30 - 35	50 - 55	530	572	-18	Nil
Dr Rob Haigh Interim Chief Medical Officer	0 - 2.5	0 - 2.5	80 - 85	145 - 150	0	1,677	-974	Nil
David Grantham Chief People Officer	2.5 - 5	2.5 - 5	55 - 60	100 - 105	1,085	990	94	Nil
Dr Andy Heeps Deputy CEO	5 - 7.5	2.5 - 5	45 - 50	80 - 85	745	656	89	Nil
Darren Grayson Chief Governance Officer	-2.5 - 0	0	60 - 65	175 - 180	1,571	1,406	165	Nil

Note: Karen Geoghegan chose not to be covered by the pensions arrangements during the year.

Note: The figures above do not include future adjustment to the pension benefits and related CETVs do not allow for a potential future adjustment for some eligible employees arising from the McCloud judgement.

Note: Where members have not been employed by the Trust for the full financial year, the figures above show the pension entitlement earned during the whole year, including roles outside the Trust if eligible for the NHS Pension Scheme.

Notes:

For 2022/23, these figures should be based on the discount rate guidance that was extant on 31 March 2023. This is the approach that NHS BSA have used. NHS foundation trusts should disclose the following text beneath the table: “Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide.

The pension benefit table provides further information on the pension benefits accruing to the individual.’

As set out in paragraph 8(3) of the Regulations, where the calculations of any of these columns result in a negative value (other than in respect of a recovery or withholding), the result is expressed as zero in the relevant column in the table.

“a” is salary and fees (in bands of £5,000)

“b” is all taxable benefits (total to the nearest £100)

“c” is annual performance-related bonuses (in bands of £5,000)

"d" is long-term performance-related bonuses (in bands of £5,000). The long term performance bonus for Dr George Findlay and Rob Haigh relate to a national Clinical Excellence Award

"e" is all pension–related benefits (in bands of £2,500). As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members. Information on accrued pension benefits is provided by the NHS Pensions Agency

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less, the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value 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 of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

"f" is the total of items "a" to "e" (in bands of £5,000).

Cash Equivalent Transfer Values

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

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation (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.

Total Pension Entitlement

Normal retirement age for the NHS Pension Scheme is either 60 (for members in the 1995 scheme) or 65 (for members in the 2008 scheme). On retirement members receive their accrued pension and members in the 1995 scheme receive a lump sum equal to three times their annual pension.

Members may choose to retire from work before their normal pension age and draw their benefits although these will be reduced because they will be paid earlier than expected. Further information about scheme rules and entitlements is available from http://www.nhsbsa.nhs.uk/pensions.

Payments to past senior managers (subject to audit)

The following payments were made to the following individuals who were not senior managers during the financial year but have previously been senior managers:

	Salary Bands of £5,000 a
Dame Marianne Griffiths	95 - 100
Prof. William Roche	15 - 20
Denise Farmer	10 - 15
Kate Slemeck	0 - 5
Peter Landstrom	5 - 10

Fair Pay Multiple (median pay) (subject to audit)

NHS foundation Trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the organisation in the financial year 2022-23 was £215k - £220k (2021-22: £290k - £295k). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2022-23 was from £20k to £410k (2021-22: £6k to £295k). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 1%. 8 employees received remuneration in excess of the highest-paid director in 2022-23.

2022/23	***% change for highest paid director***	***% change for employees as a whole***
Salary and allowances	-12%	1%
Performance pay/bonuses	-100%	-3%

2021/22	***% change for highest paid director***	***% change for employees as a whole***
Salary and allowances	0%	11%*
Performance pay/bonuses	1%	8%

**Figure include the impact of the merger by acquisition of Brighton and Susses University Hospitals NHS Trust by Western Sussex Hospitals NHS Foundation Trust, forming University Hospitals Sussex NHS Foundation Trust.*

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

2022/23	***25th percentile***	***Median***	***75th percentile***
Salary component of pay	£26,791	£36,932	£49,438
Total pay & benefits excluding pension benefits	£26,807	£36,949	£49,463
Total pay & benefits excluding pension: Pay ratio for highest paid director	10:1	7:1	5:1
Salary: Pay ratio for highest paid director	10:1	7:1	5:1

2021/22	***25th percentile***	***Median***	***75th percentile***
Salary component of pay	£19,918	£31,534	£40,057
Total pay & benefits excluding pension benefits	£23,485	£31,534	£43,676
Total pay & benefits excluding pension: Pay ratio for highest paid director	12:1	9:1	7:1
Salary: Pay ratio for highest paid director	15:1	9:1	7:1

…… 28 June 2023

Dr George Findlay, Chief Executive

2.5 Regulatory ratings

The Trust has had no regulatory matters raised against it and is within segment 3 of the NHSEI System Oversight Framework and remains compliant with its CQC registration.

2.6 Statement of Accounting Officer's Responsibilities

Statement of the chief executive's responsibilities as the accounting officer of University Hospitals Sussex NHS Foundation Trust

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

NHS England, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require University Hospitals

Sussex NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of University Hospitals Sussex NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

As far as I am aware, there is no relevant audit information of which the foundation Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.
To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

Signed…… 28 June 2023

Dr George Findlay, Chief Executive

University Hospitals Sussex
NHS Foundation Trust

2.7 Annual Governance Statement for the period 1 April 2022 to 31 March 2023

1. Scope of responsibility

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

1.2 The Trust's Standing Orders and Scheme of Delegated Authority outline the accountability arrangements and scope of responsibility of the Board of Directors ('the Board'), Executive Directors and Trust officers.

1.3 The Trust's constitution was subject to review in May 2022 considering their application during the first year of use and both the Board and the Council confirmed these as being effective with only minor changes were made to bring clarity of some the text. No further changes were considered necessary by either the Board or Council during 2022/23.

1.4 Reports on the Trust's compliance with the Trust's Standing Financial Instructions are presented to the Audit Committee and through the work of Internal and External Audit especially in respect of the Trust's financial framework there have been no issues identified that required any updates to these documents or the scheme of delegation.

1.5 The Board receives regular reports from each of the nominated Committee Chairs at each of its Board meetings allowing the Board to assess the operation of its Committees. Committee terms of reference were adjusted to reflect to changing Committee oversight of the Trust's sixth patient first domain of research and innovation moving to the Patient Committee. Each Committee assessed its own effectiveness against its Terms of Reference at the end of 2022/23 and concluded that subject to minor changes these remained appropriate for 2023/24.

1.6 The Trust works in close partnership with other Health and Social Care organisations within the Integrated Care System along with attending both the West Sussex County Council and Brighton and Hove City Council Health and Adult Social Care Scrutiny Committees. The Trust plays an active and positive role in the ICS. The Chief Executive provides ICS wide leadership to the UEC improvement programme and executives are regular attendees at ICS meetings and forums. In addition, The Chairman attends the regular ICS Chairs' meetings chaired by the ICB Chair.

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. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of University Hospitals Sussex NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in University Hospitals Sussex NHS Foundation Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

3.1 *Trust Board*

3.2 The Trust has a Risk Management Strategy and Policy, endorsed by the Board of Directors. The Board of Directors recognise that risk management is an integral part of good management practice and to be most effective should be embedded in the Trust's culture. This recognition is embodied within the Strategy and Policy as this documents the Board's risk appetite and the processes applied across the Trust which see the oversight of the Trust's key risks assigned to a Board Committee with each key risk have a named executive lead. The Board is committed to ensuring that risk management is embedded as part of the Trust's philosophy, practice and planning and is not viewed or practiced as a separate programme and that responsibility for implementation is accepted at all levels of the organisation.

3.3 Each Board Committee received reports on the Trust's key risks at each of their scheduled meetings. These reports supported the Committee's review of their assigned element of the Trust's Board Assurance Framework.

3.4 *Board Committees*

3.5 The Audit Committee has overall responsibility for ensuring there is effective risk management process employed across the Trust. The Audit Committee receive information annually from the Trust's internal auditors through their work which supports the Board Assurance Framework and through this work the Committee supports the Board to be assured over the robustness of the Trust's application of sound internal control processes. To enable the Audit Committee to fulfil its role its membership is drawn from the Non-Executive Member Chairs of each of the other Board Committees providing a clear link to and from the Audit Committee's oversight of the Board Assurance Framework and the work undertaken in each Committee in respect of the key risks they have assigned oversight for.

3.6 The other key Board Committees of Patient, Quality, People, Sustainability and Systems and Partnerships at each of their meetings receive and consider the Trust's key risks within each domain alongside consideration of the strength of assurances reflected within the Board Assurance Framework and the actions being taken to manage risks that are outside the Board's stated risk appetite. Each Committee report the outcome of their review of the Board Assurance Framework to the next Board meeting.

3.7 The Board considers the views of each of its patient first thematic committees when it receives and considers the Board Assurance Framework and makes a positive decision on the strength of control and thus the reported risk scores.

3.8 *Non-Executive Directors*

3.9 All Committees are chaired by a nominated Non-Executive Director. The Audit Committee which plays a pivotal role in providing assurance on the risk management processes of the Trust has a membership of only Non-Executive Directors. Through the Non-Executive Committee chairs who all form the Audit Committee membership with the Non-Executive Audit Committee chair they all have a responsibility to challenge robustly the effective management of risk and to seek reasonable assurance of adequate control.

3.10 The Audit Committee at each of its meetings considered the Board Assurance Framework and during 2022/23 made a number of observations about its structure and content to improve the document to enable the Committee to better support their review of outcome of the detailed actions on the strategic risk scores.

3.11 The Audit Committee maintained an overview of the Trust's systems of internal control through the receipt and consideration of both management assurance and assurance from Internal Audit that the underpinning risk management processes operated within the Trust remained effective.

3.12 *Chief Governance Officer*

3.13 The Chief Governance Officer is responsible for the strategic development and implementation of organisational risk management system.

3.14 *Chief Nurse*

3.15 The Chief Nurse is responsible for ensuring there is a robust system in place for monitoring compliance with standards and the Care Quality Commission (CQC) Registration legal requirements.

3.16 The Chief Nurse is also responsible for managing patient and non-patient safety, complaints, patient experience and medical legal matters.

3.17 *Chief Finance Officer*

3.18 The Chief Finance Officer oversees the adoption and operation of the Trust's Standing Financial Instructions including the rules relating to budgetary control, procurement, banking, losses and controls over income and expenditure transactions, and is the lead for counter fraud.

3.19 The Chief Finance Officer and the Trust Finance Director attend the Trust's Audit Committee and both liaise with internal audit, external audit and counter fraud services, who undertake programmes of audit with a risk based approach.

3.20 *Risk Management Training and Learning*

3.21 Risk management training forms part of the essential training package that all staff are required to complete. All new members of staff attend a mandatory induction covering key elements of risk management, supplemented by local induction. The organisation provides mandatory and statutory training that all staff must attend.

3.22 The Trust has established a culture of learning, through the work on the implementation of national clinical standards, the delivery of improvements flowing from local and national clinical audits and the focus on learning from all untoward incidents. The reporting of this work flows to the Board through the work of the Quality Committee and from reports directly presented to the Board. This allows the Board to see the positive impact that the improvements from this learning has on the Trust's risk profile.

4. The risk and control framework

4.1 The Board of Directors has established a robust corporate governance framework in which is detailed within the Annual Report section 'How the Trust is run'. The corporate governance structure is designed to ensure appropriate oversight and scrutiny and to ensure good corporate governance practice is followed.

4.2 In support of the Trust's corporate governance processes the Trust has continued to apply its clinical divisional governance processes. Each Clinical Division is led by a triumvirate of a Divisional Director of Operations, a Chief of Service and a Head of Nursing. Each division reports through the Quality Governance Steering Group to the Board's Quality Committee. As part of the post transaction delivery plan the Trust has implemented during 2022/23 its revised clinical operating model which sees the Trust's clinical divisions aligned to the two principal streams of planned and unscheduled care.

4.3 The Trust has a Risk Management Strategy that was reviewed at the start of April 2021, with this review confirming the stated Trust's risk appetite and the Trust's processes for identifying, reporting and managing risk. In line with the 2023/24 annual plan the Board considered the Trust's risk appetite at a Board session in April 2023 and confirmed their risk appetite statements with these reported to the Board meeting in May 2023.

4.4 Risk management training forms part of the essential training package that all staff are required to complete. All new members of staff attend a mandatory induction event which covers key elements of risk management.

4.5 Risks are raised and captured to a central risk management database known as Datix. The Trust completed its project to integrate its two legacy Datix risk management databases into one system which is enhancing the efficiency of risk reporting through the Trust to the appropriate Board Committees and the Board. Supporting this the Trust has completed a review of its central risk management team which has seen a dedicated oversight and support team established to enhance the risk literacy and operational risk management processes within both corporate and clinical divisions.

4.6 All staff are responsible for responding to incidents, hazards, complaints and near misses in accordance with appropriate Trust policies. Divisional management teams oversee local risk registers and the management and escalation, as appropriate, of risks.

4.7 The Trust has an established Board Assurance Framework (BAF), through which the Board is provided with a mechanism for satisfying itself that its responsibilities are being discharged effectively; and informs the Board where the delivery of Trust's True Norths (principal objectives) are at risk due to a gap in control and/or assurance.

4.8 The BAF records that the Trust has been managing 16 significant risks, during the year the Trust had seen a number of these risks increase meaning at the year end all but one of these risks exceeded their determined target score and 14 of these risks were rated as significant.

4.9 For each of these risks there is a detailed series of mitigations which will continue to be implemented throughout 2023/24. The delivery of these mitigations and their impact on the risks is monitored through the appropriate Committee of the Board.

4.10 The Trust took action during the year in respect of the key sustainability risks given the degree of changes within the 2022/23 financial framework however the Trust did resubmit its financial forecast during the last quarter of 2022/23. With the change in financial regime for 2023/24 restoring the link between activity and income these risks remain significant for the Trust noting that the Trust has submitted its element of the ICS plan and this is supported by detailed divisional workforce activity and finance plans.

4.11 The Trust has taken a number of actions to enhance its processes to support the wellbeing of its staff. However, given the relentless operational pressures on the Trust's services and the periods of business continuity the Trust has assessed the long-term risk to staff wellbeing as remining high. The establishment of the People Committee has enabled the Board to track the formulation and delivery of plans to manage these risks alongside receiving

direct information from staff feedback / surveys on the efficacy of the wellbeing programmes developed to support the Trust's staff.

4.12 With regard to the key constitutional targets the Trust has prioritised the treatment of patients according to their clinical needs, in line with national guidance. Like the majority of NHS providers, the Trust has taken action to support the NHS and the country with dealing with those patients waiting the longest focusing on those waiting over 78 weeks, however, the operational demands on the Trust have impacted on the Trust's ability to reduce this risk. The Quality Committee maintained a complementary review of the Trust's processes to manage the quality risks for patients waiting through their receipt of information on harm reviews.

4.13 The Quality Committee maintained a focus on the management of the Trust's key quality risks. Due to operational and workforce pressures the mitigation of the quality risks was less successful than planned and thus these risks remained scored above their target.

4.14 The work of the Patient Committee complemented the Quality Committee providing assurance to the Board in respect of the Trust's actions to manage risk, especially during their periods of extended waits for treatment and care through receipt of information on patient feedback of their experiences.

4.15 During 2022/23 the Patient Committee took on the oversight of the Trust's sixth strategic domain of Research and Innovation and the Committee recognised that whilst 3 strategic risks had been identified their initial scoring were scored highly as the established assurance mechanisms had yet to be developed and expected these to be revised as these assurances were reported to the Committee during 2023/24.

4.16 The Trust has continued to invest time and executive oversight into the enhancement of the Trust's reporting of its highly scored risks, particularly those linked to the Trust's corporate projects and strategic initiatives which complement the Trust's BAF risks. This activity has seen the continued delivery of an integrated risk report being provided to the respective Board Committees.

Processes for Managing Cyber Security Risk

4.17 We are now fully engaged with Microsoft Defender for Endpoint across the entire Trust and have deployed the solution on both the client devices and server estates. We now use Microsoft Defender for Endpoint on all Trust Client Devices as this give us greater interoperability with the ATP solution. This solution allows us to actively monitor the devices on our network and have very early detection of any malware or other cyber threats that enter our estate. We use the Threat and Vulnerability Management tools within the ATP solution to identify any potential issues across our Estate. We have been undertaking a series of tasks to 'Harden' our desktop. This process uses the ATP Vulnerability Management tools to identify areas of improvement that can decrease the number of attack vectors open to potential Cyber criminals. We

also continue to act on every National CareCERT alert that we receive and update NHS Digital of our actions and progress.

4.18 We recently held a series of Cyber Awareness training events for the wider IT and IG teams. These events put the attendees into teams, and gave them a fictitious organisation and a yearly budget. They then had to procure Cyber defences for their organisation each year. Each year there was a Cyber Attack event, and the teams were asked to describe how their chosen defences would have aided them, or whether they had any vulnerabilities. This type of awareness training got the attendees really thinking about Cyber defence in a new way and gave them a keener insight into the work of the Trusts Cyber team.

4.19 We are currently working with a Cyber partner company to carry out some cyber related audits. These will focus on the use of privileged (admin) accounts, into our Asset Management, and also looking at the Trusts Internet of Things (IoT) security. The recommendations from these audits will help us to further harder our environment against attack.

4.20 We are proud to say that our Trust is still seen as a leader in the field of Cyber Security within the NHS. The Trust Board has continued to invest in tool sets that IM&T use to combat threats. However, this is a continually changing landscape so confirmed investment is always required.

Processes for assuring the Board that staffing processes are safe, sustainable and effective

4.21 There are a number of ways in which the Trust ensures that short, medium and long term workforce needs and staffing systems are in place which assure the Board that staffing is safe, sustainable and effective. Workforce plans are developed at specialty and divisional level and include recruitment, retention and workforce transformation and efficiency plans, informed by clinical strategies and aligned to operational and financial planning. As for all NHS organisations, staffing to the level of demand remains challenging but the Trust has stable turnover and vacancy levels although some roles and professions have particular challenges.

4.22 National Quality Board standards, NICE guidance, NHSE guidance and recommendations from Royal Colleges and the output of national taskforces on workforce (e.g. Ockenden) are used to inform the staffing levels required to deliver high quality and safe services in acute hospital environments. Changes to staffing profiles (numbers and skills) are subject to Quality Impact Assessment at divisional level and reviewed by the Chief Medical Officer and Chief Nurse prior to implementation. An assessment of the nursing establishment and skill mix is reported to the Board twice a year, in accordance with National Quality Board guidance.

4.23 Through regular reporting to the Board, workforce and safer staffing reports are provided and are triangulated against quality metrics to ensure our staffing processes are safe, sustainable and effective. Workforce risks are

identified and monitored in the Board Assurance Framework and risk registers. An internal audit programme includes checks on workforce areas such as recruitment.

4.24 The Trust has had a vacancy in one of two Guardian for Safe Working Hours roles, who work closely with educational and clinical supervisors to ensure that the health, wellbeing and safety of junior doctors is maintained. Despite this the reporting of exception reports had continued to address issues and concerns raised by junior doctors. A new Guardian arrangement has now been agreed for the whole Trust. They provide a regular report to the joint local negotiating forum and to the People Committee on matters raised and how they are being addressed.

4.25 During 2022/23, the health and wellbeing of staff has remained a key priority with an extensive number of interventions to support the physical, emotional and financial health needs of our workforce. This has included action to support staff in financial hardship with support from the Trusts charities. Regular updates to the Board and committees are in place.

4.26 Daily reporting of staffing capacity, including absence, has continued in place through the use of e-rostering systems and processes developed during the pandemic. During periods of pressure, such as industrial action or critical incident the Trust's business continuity arrangements provide for the re-call and re/deployment of staff as required.

4.27 There are robust governance structures in place that oversee the efficiency and effectiveness of our staffing systems that ultimately report into the Quality and People Committees of the Board. Maintaining workforce capacity and capability to ensure it is safe and appropriate is a key feature of risk management at divisional and Trust level supported by daily service safety huddles and processes. The Trust's BAF in 2022/23 has reflected increased risks around staffing, including the pressure on staff, general morale and industrial action.

4.28 The Trust uses electronic systems to capture and collate staffing numbers and skill mix for nursing staff. Similar systems are in use for some medical staff. A programme to roll out electronic systems for all medical staff has been agreed in 2022/23 and will commence in April 2023. Electronic systems for managing temporary workforce supply provide an additional level of assurance.

4.29 NHS employment checks standards are applied to recruitment of staff and were audited in 2021/22.

4.30 The Trust uses Patient First to support safe staffing and has a 'True North' of being the best acute Trust for staff engagement. Achieving that Trust North is supported by several programmes of work including a Strategic Initiative on Leadership, Culture and OD over the next 18 months with interventions on training, leadership development, equality and inclusion, culture and staff wellbeing and support. Divisions are also supported to

develop their own improvements plans based on staff survey results and local engagement. These programmes are monitored by the Board through its People Committee. There has been particular focus in 2022/23 on 'staff voice that counts' ensuring staff voices are heard and that issues are acted on with feedback provided. This reflects feedback from the staff survey in 2021 and CQC observations.

Processes for managing regulatory risk

4.31 University Hospitals Sussex NHS Foundation Trust has received inspections in relation to its Main Emergency Departments and Maternity Services at all four main hospitals, General Surgery at the Royal Sussex County Hospital site only and the Children's Emergency Department at the Royal Alexandra Children's Hospital along with a Well Led review during 2022/23. These inspections identified matters for improvement and the Trust received a warning notice in respect of general surgery at the Royal County Sussex Hospital. The Trust Board and the Quality Committee received regular updates on the action taken to address issues identified and at the end of 2022/23 the CQC agreed to withdraw the increased information reporting requirements within the warning notice. The Trust also received an enforcement notice in relation to Upper GI Cancer Surgery where the Trust has a restriction on its registration in respect of the provision of specific surgical procedures. Whilst the Trust has been graded as Requires Improvement based on the various inspections undertaken from 2021 to the 2022, the Trust remains fully compliant with the registration requirements of the Care Quality Commission recognsing that the Trust is not providing Upper GI Cancer Surgery as required within the enforcement notice.

4.32 The Trust through its continued to deploy its Patient First programme which ensures that there is a continued focus on improvement covering improving quality, the patient experience and ensuring the Trust is sustainable, which are key to the delivery of the Trust's True North and Breakthrough Objectives.

4.33 The Quality Committee supported the Board by maintaining a focus on the Trust's actions in respect of the mandated maternity metrics through the receipt of regular and comprehensive maternity performance dashboards alongside dedicated reports in respect to the Trust's own assessment against the nationally recommended improvements to all NHS Maternity Services.

4.34 During the period of this report the Trust regrettably had one Never Event at the Princess Royal Hospital, and received three Prevention of Future Deaths (PFD) notifications. These three reports all related to coroner inquires in respect of deaths that occurred before the 1 April, two relating to the Royal Sussex County Hospital/Princess Royal Hospital, and one maternity (HSIB) PFD relating to St Richards Hospital. Never Events and Serious Incidents (SI) are subject to a thorough internal review to identify themes and learning. The Trust applies the current NHSE Serious Incident Framework processes for undertaking root cause analysis methodology in respect of the Coroner notifications. A full investigation is undertaken and the outcome and

recommendations reported to the Trust Board for each serious incident. All serious incidents including Never Events were reported as required to the Care Quality Commission, Sussex Integrated Care Board, NHS Improvement and to NHS England.

4.35 The Trust has maintained and published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff within the past twelve months, as required by the '*Managing Conflicts of Interest in the NHS*' guidance. This register records the details of the Trust senior decision makers, including Board members and Trust Directors.

4.36 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.

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

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

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

5.1 The Board receives a monthly report from the Chief Financial Officer on financial performance. Financial performance is reviewed at the Trust Executive Committee to ensure that all senior leaders have visibility on the position and the actions required. Financial performance is scrutinised in detail at the Finance and Performance Committee.

5.2 The Trust has maintained a robust structure for the identification and delivery of efficiency programmes. This is supported by a Programme Management Office and oversight provided by an Executive led efficiency and workforce steering group. Reports are also provided monthly to Sustainability Committee. The Trust in 2022/23 revised its financial forecast which saw the Board approve a deficit position, with this revised position agreed with the ICB and NHS England.

5.3 Through the merger process and scrutiny by NHSE the Board was judged to be well led leading to their endorsement and support for the merger of Western Sussex Hospitals NHS Foundation Trust and Brighton and Sussex University Hospitals NHS Trust.

6. Information governance

6.1 In line with standing guidance from NHS Digital on the reporting and classification of Data Protection and Security Incidents, the Trust is pleased to confirm that it reported no incidents to the Information Commissioner's Office.

6.2 Each year the Trust completes and submits the Data Security and Protection Toolkit (DSPT) to demonstrate its compliance against the National Data Guardian's National Data Security Standards. NHS Digital set a deadline of 30 June 2022 for submission and the Trust is pleased to confirm that all standards were met for that year. The assessment of the 2023 DSPT is that the standards will not be fully met and the Trust is submitting an improvement plan to NHS England, the delivery of which will see the Trust confirming compliance by December 2023.

7. Data Quality and Governance

7.1 The Trust has a comprehensive suite of near real time daily reports, which allow detailed patient level review at an operational level, allowing for trend analysis. There is a daily validation process undertaken by clinical leads for patients who exceed four and twelve hours in department and the outcome of this is approved by Hospital Directors each respective day. The Trust captures daily A&E breach information on 4 hourly site reports which are cross referenced against electronic A&E data capture which helps ensure understanding and reconciliation of any discrepancies between daily performance (as reported via the Symphony system) and that observed by site management teams.

7.2 The Trust has invested in its Business Intelligence reporting development in 2022/23 which has led to production of reports and Trust wide portal using a new web-based PowerBI platform "Compass BI". This has enhanced accessibility, enabled staff to drill down to various analyses, and is helping the wider trust and BI team to further focus on DQ improvements from data entry to reporting, to improve empirical decision making.

7.3 The Trust merged Patient Administration Systems October 2022 to align systems for University Hospitals Sussex. This required comprehensive data quality checks as part of data migration. Merged systems and processes strengthen data quality and consistency Trust wide. The Trust will merge 2 versions of Symphony (A&E) to one in 2023/24, with current migration planned April 2023. The Trust has also merged the Electronic Staff Record, and staff training reporting to one system February 2023, driving standardisation, and efficiency of reporting, and in turn improved data quality assurance.

7.4 For Referral to Treatment (RTT) performance, there is a validation process undertaken, underpinned by the patient access policy and RTT Rules Suite, whereby longest waiters are reviewed and tracked at a patient level for their accuracy, and the validated cohort of patients are updated daily up to the

point at which monthly reporting is finalised (approximately 10th of subsequent month). This is supported by divisional and corporate weekly meetings where trends and anomalies are tracked and rectified. The Trust continues to submit a weekly National patient level dataset which has inbuilt quality measures to drive target data quality improvements (the Trust DQ position was 98.9% assured as of 10 March 2023). The Trust also provides weekly 78 and 104 wait monitoring for regional and ICS colleagues, which has further enhanced DQ review for this cohort of patients. Additional clerical validation support has been outsourced in 2022/23 to ensure patient's listed for elective care still require treatment which has further improved the accuracy of the waiting list, whilst the Trust has also successfully recruited to additional central validation resource, to support enhanced systematic waiting list validation.

7.5 For cancer, patient level information is reviewed daily as part of MDT meetings and tracking processes, captured in detail on the National Somerset system, with a range of daily updated performance and operational tracking reports to support patient pathway management. The Trust has also developed merged reporting processes.

7.6 More widely, the Trust access the national Secondary User System Clinical Data Set data quality dashboards which provide assurance around completeness of key administrative data items (patient details) broken down by main activity types (A&E, inpatient and outpatient activities) where the Trust has performed well above target level in terms of completeness of records. The data quality team proactively undertake data cleansing activities on the Patient Administration System daily, acting on a suite of automated reports and results from the trace files sent to the national Personal Demographic Serves (PDS).

7.7 The Trust developed a data quality kite marking process in 19/20 which visually showed the quality of the underlying data across a number of elements, including the timeliness of the data, the strength of internal independent validation etc. This process was applied to the key performance indicators reported to the Trust's Committee. This process has been suspended through the last 3 years, due to focus for covid-19 reporting, and PAS merger programme, but the Trust intend to re-launch this process in 2023/24 with the aim to embed into Compass BI reporting.

7.8 The Trust adopted a Gold command business continuity plan as part of the Covid-19 response which continued to operate in periods of surge and critical incident/business continuity in 2022/23. This required a wealth of daily and weekly information to be gathered both covid related and the indirect impact of Covid-19 on constitutional performance, with scrutiny by Silver and Gold commanders each day. This provided an extra layer of data quality assurance, triangulated with clinical services. There have also been a range of additional mandated central detailed situation reports, which provide a granular breakdown of the latest daily covid-19 and urgent care position. This has helped inform the Trust, and wider health economy re latest pressures at

the Trust, to guide focussed improvements. Daily scrutiny has led to refinement, alignment and improvements in data quality.

7.9 As part of Trust merger, the Trust has reviewed current information relating to key constitutional standards, so as to be able to provide an aggregated view of the planned new Trust from April 2021. This has provided a further opportunity to review definitions and align methods of collection to improve consistency. Development of a data warehouse as a repository for combined information allows efficient and direct comparison of performance and key drivers across Trust sites, across various dimensions. This work will be developed further in 2023/24.

7.10 The Trust recommenced Strategy Deployment Reviews at a divisional level in 2022/23 which allowed executive level scrutiny of performance trends which provides another layer of assurance in terms of performance (and its associated data quality). The process adopts a review of key performance metrics, whereby a drop in performance trend elicits a structured stratification of reasons for performance slippage, and mitigation and recovery actions to recover performance. This is an opportunity to cover data quality concerns alongside key operational constraints, or demand pressures. This is part of the Trust True North/Patient First governance arrangements all of which prioritise patient care, and allow the core operational priorities to be aligned and understood from board to floor. The Trust PFIS programme reviews data on a granular level to establish baselines, and monitor improvement, the scrutiny of which contributes to maintained high quality data.

7.11 Each of the five Board Thematic Committee's also undertook a series of Strategy Deployment meetings, recognising that for the Quality Committee these were undertaken within their routine monthly meetings. These meetings allow the Non-Executive Directors with a series of opportunities to receive complementary assurance to that that which flow through the formal Committee meetings.

8. Review of effectiveness

8.1 As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework.

8.2 *Head of Internal Audit Opinion*

8.3 Internal audit provide an independent and objective opinion on the degree to which risk management, control and governance support the achievement of the Trust's objectives.

8.4 Based on work undertaken during 2022/23 the Head of Internal Audit has stated in their Head of Internal Audit Opinion that they "are able to provide

moderate assurance that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently".

8.5 In forming their opinion they took into account that, the Trust had delivered its revised deficit position, that management had been proactive in directing internal audit to review areas of known risk and therefore through the recommendations made been able to progress with the control improvements. All bar one audit report provided substantial or moderate assurance in the design and operational effectiveness of controls, including the key audits of financial systems, data quality and data security and protection toolkit. Internal Audit concluded that through their work on key audits including key financial systems that in the areas of core assurance the Trust continues to perform strongly. In respect of the limited assurance opinion provided Internal Audit reported that management had responded positively to the recommendations made.

8.6 Internal Audit also reflected that the Trust has a good record in implementing internal audit recommendations and at the year end where action had not been completed Internal Audit have confirmed action was in progress and these did not pose any unaddressed significant risk.

8.7 *External Audit*

8.8 External Audit report to the Trust on the findings from their audit work, in particular their audit of the financial statements and the Trust's arrangements to secure economy, efficiency and effectiveness in its use of resources (the Value for Money Conclusion). For 2022/23 an unqualified audit opinion has been issued in respect of the financial statements. Within the Value for Money Conclusion the External Auditors provide a conclusion within three areas these being financial sustainability, governance and improving economy, efficiency and effectiveness. In the area of governance the conclusion reflects there is a significant weakness in the area of quality governance.

8.9 *Counter-fraud*

8.10 The Trust is required under Service Condition 24 of the Standard NHS Commissioning Contract to ensure appropriate counter fraud measures are in place.

8.11 The Local Counter Fraud Specialist (LCFS) adopts a risk-based approach to counter fraud work, identifying areas of potential vulnerability. Relevant local proactive exercises (LPEs) are consequently built into the Trust's annual counter fraud work plan, which includes activity relating to the four main NHS Counter Fraud Authority (CFA) standards: Strategic Governance, Inform and Involve, Prevent and Deter, and Hold to Account and which is overseen by the Audit Committee. The LCFS helps to foster an anti-fraud culture within the Trust through delivery of an ongoing training programme across a wide range of staff groups. This features regular

presentations on counter fraud and on compliance with the UK Bribery Act 2010. The LCFS attends each meeting of the Audit Committee to present a report on their work.

8.12 The LCFS has not identified any significant control weaknesses during their work. Where improvements have been identified then, similar to Internal Audit they make recommendations and the delivery of these is tracked and reported to the Audit Committee.

8.13 Health and Safety

8.14 The Health and Safety Executive (HSE) did not undertake any specific inspections at the Royal Sussex County Hospital in 2022/23 however it did contact the Trust as part of a national inquiry into the potential for Nitrous Oxide (NO2) exposure for staff. Through a series of external tests, the Trust was able to report positively back the local HSE office that the levels of NO2 were significantly lower that the determined safe levels of airborne particulates. Whilst the results of the testing were positive the Trust has determined that it will repeat these tests across 2023/24.

8.15 The Human Tissue Authority (HTA) undertook a routine inspection of the Trust's facilities at the Royal Sussex County and Princess Royal Hospitals and concluded that the Trust's remains compliant with their standards. The HTA did make several recommendations for which an action plan was developed, its implementation was monitored by the Trust's Health and Safety Committee. The HTA have been informed of the actions taken, noting that for a small number of actions that require building works to be complete which will not be concluded until later in 2023.

8.16 Board Committees

8.17 The Board and its Committees form an important aspect of control and I have been advised during my review by the work of the Audit Committee where the results of the work of the Trust's auditors are received along with the work of the five Patient First thematic Committees of Patient, Quality, People, Sustainability and Systems and Partnership during 2022/23, noting that in the latter quarter of 2022/23 the Patient Committee provided oversight of the sixth Patient First dimension of Research and Innovation under the Board's established governance framework.

8.18 *Patient First Thematic Committees*

8.19 Each of the patient first thematic committees, covering Patient (including Research and Innovation), Quality, People, Sustainability and Systems and Partnership is chaired by a Non-Executive Director each provide me and the Board with a flow of assurance over the effectiveness of the established systems of internal control, risk management and operational performance delivery and reporting.

8.20 During the year the Patient Committee received reports on the Trust's patient experience improvements along with the information on the Trust's actions in respect of health inequalities. During the latter quarter of 2022/23 the Patient Committee also received information on the Trust's research and innovation domain specifically in respect of the Trust's developing Research and Innovation Strategy.

8.21 The Quality Committee has received regular reports on the Trust's quality performance and quality risks, learning from complaints and investigations into untoward incidents along with regular maternity perinatal performance dashboards. The Quality Committee has also received information from the Non Executive and Executive champions for Maternity who are the Quality Committee Chair and Chief Nurse respectively. The Committee supported the assurance flow to the Board that quality key risks have been managed during the year especially that there have been no significant patient safety matters arising during the year.

8.22 During the year the Sustainability Committees has received regular reports on the Trust's financial position, the management of its cash position and the delivery of the Trust's capital programme, along with the delivery of the Trust's efficiency programme and reports covering workforce, procurement, IM&T and the Trust's environmental sustainability strategy.

8.23 The Systems and Partnership Committee received regular reports on the delivery of the Trusts performance measures and received a series of more in depth reports covering specific aspects of performance.

8.24 The People Committee across the year received regular reports on the Trust's people key performance indicators, staff wellbeing initiatives and the Trust's developed leadership and organisational development programme. This Committee has supported the Board with its assurance flow that the Trust's key people risks are being managed during the year whilst recognising the operational pressures have impacted on the Trust key people risks. The People Committee also consider the Trust's developing Equality, Diversity and Inclusion Strategy as well as oversight of the Trust's staff well being activities.

8.25 *Board Assurance Framework*

8.26 During the year covered by this report the Board Assurance Framework reporting framework has been maintained which has seen the structured flow of assurance reporting to the Board on the controls managing the Trust's key risks to the delivery of the Trust's identified True North and associated breakthrough objectives. This process plays a key role in articulating where gaps in control exist and the tracking of devised actions to mitigate these.

8.27 *Wider processes*

8.28 My review is also informed by the Trust's processes for:

- monitoring the delivery of improvements flowing from the receipt of the outcome of the Annual Staff Survey.
- monitoring the delivery of improvements from the learning identified from complaints and the investigation of untoward incidents.
- tracking the outcomes from the programme of work undertaken by internal and external auditors a well as Counter Fraud.
- Delivering improvements from the outcomes of external assurance visits across the Trust's services.

8.29 These processes culminate in reporting to the Board through the revised Divisional and Executive governance processes on the state of the Trust's systems of internal control.

8.30 I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their Auditors Annual Report and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, the patient, quality, people, sustainability and systems and partnerships committees. Where improvements have been highlighted then and a plan to address weaknesses and ensure continuous improvement of the system is in place.

9. Conclusion

9.1 I have considered the factors described in the NHS Improvement guidance on the 2022/23 annual governance statement in respect of significant issues.

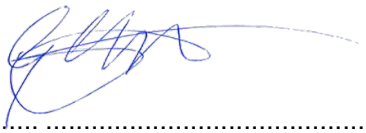
9.2 Whilst during the period 1 April 2022 to 31 March 2023 and up to the time of signing the accounts I have reflected on the findings from the CQC inspections and my own reviews and have identified challenged areas with respect to the consistent achievement of Trust priorities especially in areas of quality governance and culture. Whilst improvement plans have been developed until these have been delivered, I recognise the significance of the internal control weaknesses within quality governance as defined as such within the FT Annual Reporting Manual.

9.3 Oversight of the Trust's management of these challenges continues at the Board and through its Committees with each being assured that the Trust has established and applied its resources to address the significant operational challenges and especially the impact of these on our workforce and their wellbeing. The Board and Committees have ensured across the year there are adequate systems of internal control and where control improvements are identified that these are delivered in line with agreed action plans having a specific focus on the improvement plans aligned to the CQC recommendations.

NHS
University Hospitals Sussex
NHS Foundation Trust

9.4 Where wider opportunities for improvement have been identified I have overseen actions to ensure that we continue to improve the systems of internal control we operate for the benefits of our patients, staff and the wider community we serve.

Signed (by order of the Board of Directors)



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Dr George Findlay, Chief Executive 28 June 2023

University Hospitals Sussex NHS Foundation Trust

Annual accounts for the year ended 31 March 2023

Foreword to the accounts

University Hospitals Sussex NHS Foundation Trust

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

Signed ……

Name **Dr George Findlay**
Job title **Chief Executive**
Date **28 June 2023**

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2022/23	2021/22	2022/23	2021/22
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	1,339,963	1,233,683	1,339,963	1,233,683
Other operating income	4	113,388	116,557	113,083	117,584
Operating expenses	7, 9	(1,492,690)	(1,352,241)	(1,493,445)	(1,352,575)
Operating (deficit) from continuing operations		**(39,339)**	**(2,001)**	**(40,399)**	**(1,308)**
Finance income	11	2,616	362	2,169	30
Finance expenses	12	(5,507)	(4,429)	(5,507)	(4,429)
PDC dividends payable		(16,600)	(16,480)	(16,600)	(16,480)
Net finance costs		**(19,491)**	**(20,547)**	**(19,938)**	**(20,879)**
Other gains / (losses)	13	(1,038)	1,600	50	336
Gains arising from transfers by absorption	46	-	607,092	-	592,749
Corporation tax expense		(450)	(309)	-	-
Surplus / (deficit) for the year from continuing operations		**(60,318)**	**585,835**	**(60,287)**	**570,898**
Surplus on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	-	-	-	-
Surplus / (deficit) for the year	49	**(60,318)**	**585,835**	**(60,287)**	**570,898**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	8	(6,837)	(14,518)	(6,837)	(14,518)
Revaluations	20	29,177	56,609	29,177	56,609
Total comprehensive income / (expense) for the period		**(37,978)**	**627,926**	**(37,947)**	**612,989**
Surplus/ (deficit) for the period attributable to:					
University Hospitals Sussex NHS Foundation Trust		(60,318)	585,835	(60,287)	570,898
TOTAL		**(60,318)**	**585,835**	**(60,287)**	**570,898**
Total comprehensive income/ (expense) for the period attributable to:					
University Hospitals Sussex NHS Foundation Trust		(37,978)	627,926	(37,947)	612,989
TOTAL		**(37,978)**	**627,926**	**(37,947)**	**612,989**

Note that the Group Accounts include the consolidation of Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity (Registered charity No. 1049201), Brighton and Sussex University Hospitals NHS Trust Charitable Fund (Registered charity No. 1050864) and Pharm@Sea Limited (wholly owned subsidiary).

Statements of Financial Position

		Group		Trust	
	Note	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Non-current assets					
Intangible assets	16	33,463	27,382	33,463	27,382
Property, plant and equipment	17	1,120,983	1,067,527	1,120,844	1,067,418
Right of use assets	21	57,453	-	57,453	-
Other investments / financial assets	23	15,841	16,929	1,101	1,101
Receivables	27	9,707	7,707	9,750	7,707
Total non-current assets		**1,237,447**	**1,119,545**	**1,222,611**	**1,103,608**
Current assets					
Inventories	26	18,570	18,290	17,778	17,348
Receivables	27	76,388	37,315	76,458	36,501
Cash and cash equivalents	31	60,524	114,379	56,956	111,189
Total current assets		**155,482**	**169,984**	**151,192**	**165,038**
Current liabilities					
Trade and other payables	32	(196,391)	(162,821)	(195,027)	(159,736)
Borrowings	34	(12,074)	(6,679)	(12,074)	(6,679)
Provisions	35	(1,729)	(4,777)	(1,729)	(4,777)
Other liabilities	33	(2,746)	(4,761)	(2,747)	(4,761)
Total current liabilities		**(212,940)**	**(179,038)**	**(211,577)**	**(175,953)**
Total assets less current liabilities		**1,179,989**	**1,110,491**	**1,162,226**	**1,092,693**
Non-current liabilities					
Borrowings	34	(127,530)	(69,585)	(127,530)	(69,585)
Provisions	35	(8,568)	(8,958)	(8,545)	(8,931)
Total non-current liabilities		**(136,098)**	**(78,543)**	**(136,075)**	**(78,516)**
Total assets employed		**1,043,891**	**1,031,948**	**1,026,151**	**1,014,177**
Financed by					
Public dividend capital		994,686	944,765	994,686	944,765
Revaluation reserve		169,427	152,157	169,427	152,157
Income and expenditure reserve		(136,127)	(81,829)	(137,962)	(82,745)
Charitable fund reserves	25	15,905	16,855	-	-
Total taxpayers' equity		**1,043,891**	**1,031,948**	**1,026,151**	**1,014,177**

Note that the Group Accounts include the consolidation of Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity (Registered charity No. 1049201), Brighton and Sussex University Hospitals NHS Trust Charitable Fund (Registered charity No. 1050864) and Pharm@Sea Limited (wholly owned subsidiary).

The notes on pages 9 to 72 form part of these accounts.

Name **Dr George Findlay**
Position **Chief Executive**
Date **28 June 2023**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**944,765**	**152,157**	**(81,829)**	**16,855**	**1,031,948**
Surplus/(deficit) for the year	-	-	(59,720)	(598)	**(60,318)**
Other transfers between reserves	-	(5,028)	5,028	-	**-**
Impairments	-	(6,837)	-	-	**(6,837)**
Revaluations	-	29,177	-	-	**29,177**
Transfer to retained earnings on disposal of assets	-	(42)	42	-	**-**
Public dividend capital received	49,921	-	-	-	**49,921**
Other reserve movements	-	-	352	(352)	**-**
Taxpayers' and others' equity at 31 March 2023	**994,686**	**169,427**	**(136,127)**	**15,905**	**1,043,891**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**256,732**	**68,930**	**(18,972)**	**2,834**	**309,524**
Surplus/(deficit) for the year	-	-	583,249	2,586	**585,835**
Transfers by absorption: transfers between reserves*	593,535	45,787	(652,879)	13,557	**-**
Other transfers between reserves	-	(4,535)	4,535	-	**-**
Impairments	-	(14,518)	-	-	**(14,518)**
Revaluations	-	56,609	-	-	**56,609**
Transfer to retained earnings on disposal of assets	-	(116)	116	-	**-**
Public dividend capital received	94,498	-	-	-	**94,498**
Other reserve movements	-	-	2,122	(2,122)	**-**
Taxpayers' and others' equity at 31 March 2022	**944,765**	**152,157**	**(81,829)**	**16,855**	**1,031,948**

* Absorption transfers are recorded based on the book values of assets and liabilities transferring.

Note that the Group Accounts include the consolidation of Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity (Registered charity No. 1049201), Brighton and Sussex University Hospitals NHS Trust Charitable Fund (Registered charity No. 1050864) (wholly owned subsidiary) and Pharm@Sea Limited (wholly owned subsidiary).

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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**944,765**	**152,157**	**(82,745)**	**1,014,177**
Surplus/(deficit) for the year	-	-	(60,287)	**(60,287)**
Other transfers between reserves	-	(5,028)	5,028	**-**
Impairments	-	(6,837)	-	**(6,837)**
Revaluations	-	29,177	-	**29,177**
Transfer to retained earnings on disposal of assets	-	(42)	42	**-**
Public dividend capital received	49,921	-	-	**49,921**
Taxpayers' and others' equity at 31 March 2023	**994,686**	**169,427**	**(137,962)**	**1,026,151**

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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**256,732**	**68,930**	**(18,972)**	**306,690**
Surplus/(deficit) for the year	-	-	570,898	**570,898**
Transfers by absorption: transfers between reserves*	593,535	45,787	(639,322)	**-**
Other transfers between reserves	-	(4,535)	4,535	**-**
Impairments	-	(14,518)		**(14,518)**
Revaluations	-	56,609	-	**56,609**
Transfer to retained earnings on disposal of assets	-	(116)	116	**-**
Public dividend capital received	94,498	-	-	**94,498**
Taxpayers' and others' equity at 31 March 2022	**944,765**	**152,157**	**(82,745)**	**1,014,177**

* Absorption transfers are recorded based on the book values of assets and liabilities transferring.

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 25.

Statements of Cash Flows

		Group		Trust	
		2022/23	2021/22	2022/23	2021/22
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating (deficit)		(39,339)	(2,001)	(40,399)	(1,308)
Non-cash income and expense:					
Depreciation and amortisation	7.1	42,340	38,115	42,316	38,097
Net impairments	8	48,449	23,359	48,449	23,359
Income recognised in respect of capital donations	4	(695)	(686)	(843)	(2,729)
(Increase) / decrease in receivables and other assets		(40,155)	1,995	(40,169)	2,410
Decrease in inventories		(280)	(235)	(430)	(172)
Increase in payables and other liabilities		33,030	40,182	34,340	39,415
Increase / (decrease) in provisions		(3,934)	3,149	(3,976)	3,146
Movements in charitable fund working capital		453	708	-	-
Tax (paid)		(450)	(309)	-	-
Net cash flows from / (used in) operating activities		**39,419**	**104,277**	**39,288**	**102,218**
Cash flows from investing activities					
Interest received		1,816	30	1,815	30
Purchase of intangible assets		(10,653)	(5,767)	(10,653)	(5,767)
Sales of intangible assets		-	435	-	435
Purchase of PPE and investment property		(101,992)	(148,783)	(101,992)	(148,783)
Sales of PPE and investment property		50	-	96	-
Initial direct costs or up front payments in respect of new right of use assets (lessee)		(52)	-	(52)	-
Receipt of cash donations to purchase assets		695	196	843	2,239
Finance lease receipts (principal and interest)		208	-	214	-
Net cash flows from charitable fund investing activities		446	332	-	-
Net cash flows from / (used in) investing activities		**(109,482)**	**(153,557)**	**(109,729)**	**(151,846)**
Cash flows from financing activities					
Public dividend capital received		49,921	94,498	49,921	94,498
Movement on loans from DHSC		(4,740)	(4,741)	(4,740)	(4,741)
Capital element of lease liability repayments		(4,589)	(138)	(4,589)	(138)
Capital element of PFI, LIFT and other service concession payments		(1,767)	(1,857)	(1,767)	(1,857)
Interest on loans		(1,280)	(1,386)	(1,280)	(1,386)
Other interest		-	(1)	-	(1)
Interest paid on lease liability repayments		(614)	(157)	(614)	(157)
Interest paid on PFI, LIFT and other service concession obligations		(3,134)	(2,919)	(3,134)	(2,919)
PDC dividend (paid) / refunded		(17,589)	(13,187)	(17,589)	(13,187)
Net cash flows from / (used in) financing activities		**16,208**	**70,112**	**16,208**	**70,112**
Increase / (decrease) in cash and cash equivalents		**(53,855)**	**20,832**	**(54,233)**	**20,484**
Cash and cash equivalents at 1 April - brought forward		**114,379**	**45,012**	**111,189**	**43,877**
Cash and cash equivalents transferred under absorption accounting	46	-	48,535	-	46,828
Cash and cash equivalents at 31 March	31	**60,524**	**114,379**	**56,956**	**111,189**

Note that the Group Accounts include the consolidation of Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity (Registered charity No. 1049201), Brighton and Sussex University Hospitals NHS Trust Charitable Fund (Registered charity No. 1050864) and Pharm@Sea Limited (wholly owned subsidiary).

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.0 Basis of preparation

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

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.1 Transfer of functions

As public sector bodies are deemed to operate under common control, business reconfigurations within the DHSC group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the GAM requires the application of 'absorption accounting'. Absorption accounting requires that entities account for their transactions in the period in which they took place. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive (SOCI) and is disclosed separately from operating costs.

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

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

On 1 April 2021, Brighton and Sussex University Hospitals NHS Trust was acquired by Western Sussex Hospitals NHS Foundation Trust, as approved by NHS Improvement in March 2021.

This transfer by absorption has been transacted through the Statement of Comprehensive Income (SOCI) accounting statement in line with the DHSC Group Accounting Manual (GAM).

The net assets of the trust were transferred to Western Sussex Hospitals NHS Foundation Trust (which was renamed on 1 April 2021 to University Sussex Hospitals NHS Foundation on 1 April 2021 by means of a Deed of Transfer, as approved by the Secretary of State for Health.

All of the services previously provided by Brighton and Sussex University Hospitals NHS Trust continue to be provided as part of the acquisition.

Analysis of balances transferred to successor organisation (£000)			
Amounts transferred from:		**Amounts transferred to:**	
Brighton and Sussex University Hospitals Trust		**University Hospitals Sussex NHS Foundation Trust (formerly Western Sussex Hospitals NHS Foundation Trust)**	
Non-Current Assets	667,026	Non-Current Assets	667,026
Current Assets	76,375	Current Assets	76,375
Current Liabilities	(84,539)	Current Liabilities	(84,539)
Non-Current Liabilities	(65,327)	Non-Current Liabilities	(65,327)
Net Assets	**593,535**	**Net Assets**	**593,535**
Public dividend capital	882,837	Public dividend capital	882,837
Revaluation reserve	45,787	Revaluation reserve	45,787
Income and expenditure reserve	(335,089)	Income and expenditure reserve	(335,089)
Taxpayers' equity	**593,535**	**Taxpayers' equity**	**593,535**
Net Assets from BSUH Charity	**13,557**	**Net Assets from BSUH Charity**	**13,557**
Total	**607,092**	**Total**	**607,092**

Note 1.2 Going concern

The annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

With regards the going concern conclusion for the wider group, the cost of living crisis has had an impact on the donations received by the charities (Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity). As grant making charities, with few on-going commitments, this will impact on the new grants that can be made in the short term rather than affecting the respective charities ability to continue as a going concern.
As at 1 April 2023, Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity merged to form My University Hospitals Sussex Charity.

Pharm@Sea has performed consistently and responded to the challenges of service delivery over the last 12 months. The subsidiary has remained profitable during 2022/23 and has an ongoing service level agreement with the Trust for the dispensing of drugs. The directors are confident over the ability of the company to continue as a going concern.

Note 1.3 Consolidation

The entities included in these accounts are University Hospitals Sussex NHS Foundation Trust (Parent entity), Brighton and Sussex University Hospitals NHS Trust Charitable Fund (Registered charity No. 1050864) (wholly owned subsidiary), Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity (Registered charity No. 1049201) (wholly owned subsidiary) and Pharm@Sea Limited (wholly owned subsidiary).

All four organisations have a coterminous year end of 31 March 2023 with aligned accounting policies.

Any intra group balances have been eliminated on consolidation.

NHS Charitable Funds

Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entities' returns, where those funds are determined to be material. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact.

The trust is the Corporate Trustee to Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity. The trust has assessed its relationship to the charitable funds and determined them both to be a subsidiary because the trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable funds and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities, and transactions to:

• recognise and measure them in accordance with the trust's accounting policies; and
• eliminate intra-group transactions, balances, gains, and losses.

Other subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity, and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. Any intra group balances have been eliminated on consolidation.

The amounts consolidated are drawn from the published financial statements of Pharm@Sea Limited for the year.

Associates

Associate entities are those over which the trust has the power to exercise a significant influence. The trust has no associates.

Joint arrangements

Joint ventures are arrangements in which the trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. The trust has no joint ventures.

Joint operations

Joint operations are arrangements in which the trust has joint control with one or more other parties, and where it has the rights to the assets, and obligations for the liabilities relating to the arrangement. The trust does not have joint operations.

Note 1.4 Revenue

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

• The trust is not required to disclose information regarding performance obligations that are part of a contract that has an original expected duration of one year or less,
• The trust is not required to disclose information where revenue is recognised in line with the practical expedient offered in the Standard, where the right to consideration corresponds directly with value of the performance completed to date;
• The FReM has mandated the exercise of the practical expedient offered in the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of revenue for the trust is contracts with commissioners in respect of healthcare services. Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer and is measured at the amount of the transaction price allocated to that performance obligation. At the year end, the trust accrues income relating to performance obligations satisfied in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued in the same manner as other revenue.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred.

Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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

Revenue from NHS contracts

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

In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These are termed 'aligned payment and incentive' contracts.

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 1.5 Other forms of income

Grants and donations
Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the 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.

Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract.
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 Group accrues income relating to performance obligations satisfied in that year. Where the Group'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.
There are no material contracts for which the performance obligation has not been satisfied as at 31 March 2023.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees, including non-consolidated performance pay earned but not yet paid. 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.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

No employees are members of the Local Government Superannuation Scheme.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

Neither the group nor trust have discontinued operations.

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Measurement

Valuation

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

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

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

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost (DRC) on a modern equivalent asset (MEA) 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 of the service being provided.

Under the MEA approach, the Trust has assumed VAT will be recovered on a new build at a similar rate to the 3Ts project.

Valuation guidance issued by the Royal Institute of Chartered Surveyors (RICS) states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust’s Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

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

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

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13 if it does not meet the requirements of IAS 40 or IFRS 5.

Depreciation

Freehold land, assets under construction or development, and assets held for sale are not depreciated/amortised. Freehold land is considered to have an infinite life and is not depreciated.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the trust expects to obtain economic benefits or service potential from the asset. This is specific to the trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

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

Property, plant, and equipment which have been reclassified as ‘held for sale’ cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

At each financial year end, the trust checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, in accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

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

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

Donated and grant funded assets

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

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

This includes assets donated to the trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

They are valued, depreciated, and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

Government grant and other grant funded assets

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

Private Finance Initiative (PFI)

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as a finance cost as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:
• Payment for the fair value of services received
• Repayment of the finance lease liability, including finance costs, and
• Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

PFI assets, liabilities, and finance costs

The PFI assets are recognised as property, plant, and equipment when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

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

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Group's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at cost.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	-	88
Dwellings	5	71
Plant & machinery	1	35
Transport equipment	1	10
Information technology	1	10
Furniture & fittings	1	15

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

Note 1.10 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably; and where the cost is at least £5,000.

Software

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

Internally generated intangible assets

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred.

Internally-generated assets e.g. goodwill, brands, mastheads, publishing titles, customer lists and similar items are recognised if, and only if, all of the following have been demonstrated:

• The technical feasibility of completing the intangible asset so that it will be available for use;
• The trust intends to complete the intangible asset and use it;
• The trust has the ability to sell or use the intangible asset;
• How the intangible asset will generate probable future economic benefits or service potential;
• The availability of adequate technical, financial, and other resources to complete the intangible asset and sell or use it; and
• The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Revaluations and impairments are treated in the same manner as for property, plant, and equipment.

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	35
Software licences	1	10
Other (purchased)	1	7

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.12 Investment properties

Neither the group nor trust have investment properties.

Note 1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.14 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

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

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

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

Impairment of financial assets

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

The trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

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 1.15 Leases

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

The Trust 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. For existing arrangements where the Trust is an intermediate lessor, classification of all continuing sublease arrangements has been reassessed with reference to the right of use asset.

2021/22 comparatives

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

Note 1.16 Provisions

Provisions are recognised when the trust 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 at the end of the reporting period.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

HM Treasury's discount rates effective from:

		Nominal rate	
		31 March 2023	31 March 2022
Short-term	Up to 5 years	3.27%	0.47%
Medium-term	After 5 years up to 10 years	3.20%	0.70%
Long-term	After 10 years up to 40 years	3.51%	0.95%
	Exceeding 40 years	3.00%	0.66%

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

HM Treasury's inflation rates effective from:

	Inflation rate	
	31 March 2023	31 March 2022
Year 1	7.40%	4.00%
Year 2	0.60%	2.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.70% in real terms (prior year: minus 1.30%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 35.3 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 as and when they become due.

Note 1.17 Contingencies

A contingent liability is a:

• Possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust; or
• Present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably.

A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 36 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 36, unless the probability of a transfer of economic benefits is remote.

Note 1.18 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance 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.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year.

Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

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.

The PDC dividend calculation is based upon the trust’s group accounts (i.e. including subsidiaries) but excluding consolidated charitable funds.

Note 1.19 Value added tax

Most of the activities of the NHS foundation trust are outside the scope of value added tax (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 non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.20 Corporation tax

Corporation tax disclosed in the group accounts relates to tax on the activities of the wholly owned subsidiary, Pharm@Sea Limited. Tax is charged at 20% on the taxable profits of Pharm@Sea Limited. Deferred tax has been provided on the remaining unwound capital allowances.

The trust has determined that it has no corporation tax liability as it does not operate any commercial activities that are not part of core health care delivery.

Note 1.21 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 1.22 Foreign exchange

The functional and presentational currencies of the trust are pounds sterling and figures are presented in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of the transaction. The trust has not entered into any material foreign exchange transactions and has no assets or liabilities held in foreign currencies.

Note 1.23 Third party assets

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

Note 1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.25 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.

As at 31 March 2023 no gifts were made.

Note 1.26 Early adoption of standards, amendments and interpretations

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

Note 1.27 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases - application of liability measurement principles to PFI and other service concession arrangements

From 1 April 2023, the measurement principles of IFRS 16 will also be applied to the Trust's PFI liabilities where future payments are linked to a price index representing the rate of inflation. The PFI liability will be remeasured when a change in the index causes a change in future repayments and that change has taken effect in the cash flow. Such remeasurements will be recognised as a financing cost. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred.

Initial application of these principles will be on 1 April 2023 using a modified retrospective approach with the cumulative impact taken to reserves. This is expected to result in an increased PFI liability on the statement of financial position. The effect of this has not yet been quantified.

IFRS 17 Insurance Contracts

Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted. IFRS 17 on insurance contracts (replacing IFRS 4) is expected to apply to the public sector from 2023.
https://www.england.nhs.uk/financial-accounting-and-reporting/financial-reporting/ [8th August 2019]

Note 1.28 Critical judgements and key sources of estimation uncertainty

In the application of trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

For IFRS16 right of use assets, judgement taken by the trust that wherever there is no Lease contracts especially with NHS Property, the Trust intends on-going occupation of property. Following review of historic trust occupancy which exceeds 10 years, trust has estimated we will remain in there for the next 10 years. The trust has also reviewed the substance over legal form of arrangements for embedded right of use assets and estimated a useful life consistent with the maximum life of plant & machinery assets.

Note 1.29 Sources of estimation uncertainty

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

Asset valuation

The total balance of intangible and tangible fixed assets for the Group as at 31 March 2023 is £1,211.1m (2021/22 £1,094.9m) of which £537.3m (2021/22 £542.2m) relates to revalued estate assets.

Where non-estate assets are of low value and/or have short useful economic lives, such as operational equipment, they are carried at depreciated historical cost (cost less any accumulated depreciation) as this is not considered to be materially different from fair value. The lives of equipment assets are estimated using historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Intangible software licences are depreciated over the shorter of the term of the licence and the useful economic life. These are types of estimation, but they are less likely than the valuation of estate assets to present a significant risk of causing material misstatement.

The value and remaining useful lives of estate assets are estimated by the Trust's valuer, Gerald Eve LLP. Valuations are carried out annually and are performed in accordance with the Royal Institute of Chartered Surveyors' RICS Valuation – Global Standards ('Red Book Global Standards') and other relevant RICS guidance notes, primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property. In particular, land and building assets are valued as a single combined hospital facility ('single alternative site model'), as described in the previous section. The composition of this alternative replacement model requires the operation of significant levels of professional estimation by the valuer.

The performance of the 31 March 2023 update valuation was based on a RICS Building Cost Information Service All-in Tender Price Index (BCIS TPI) published on 31 March 2023 and no significant correction to this is anticipated. The Trust's valuation also depends on the BCIS Location Factor applied, and an estimation of external / economic obsolescence levels. If varied by 2 - 3%, these would generate changes in the valuation of the buildings circa 2 – 3 %.

Because the Trust undertakes annual revaluations of estate assets, estimation uncertainty relating to asset lives and depreciation does not present significant risk of causing material adjustments.

However, as in previous years, the Trust's reliance on valuation methods does present a risk of causing a material adjustment to the carrying amount of non-current assets.

Buildings valuation

Department of Health guidance specifies that the Group's land and buildings should be valued on the basis of depreciated replacement cost, applying the Modern Equivalent Asset (MEA) concept. The MEA is defined as "the cost of a modern replacement asset that has the same productive capacity as the property being valued." Therefore, the MEA is not a valuation of the existing land and buildings that the trust holds, but a theoretical valuation for accounting purposes of what the trust could need to spend in order to replace the current assets. In determining the MEA, the trust has to make assumptions that are practically achievable; however, the trust is not required to have any plans to make such changes.

The Group is satisfied that the assumptions underpinning the MEA valuation are practically achievable, would not change the services provided by the trust, and would not impact on service delivery or the level and volume of service provided. The Group does not intend to implement any of the theoretical assumptions that underpin the MEA valuation.

For the purpose of the MEA valuation, the Group has defined all of the Royal Sussex County Hospital, The Royal Alexandra Children's Hospital, the Sussex Eye Hospital, the Princess Royal Hospital, St Richards Hospital in Chichester and Worthing Hospital as buildings that provide specialist health care services. The MEA valuation in the accounts assumes that the Chichester and Worthing based hospitals could theoretically be provided from a location on the outskirts of Chichester (to the north of Bognor Regis) and Worthing (to the north of Littlehampton); and that the Brighton based hospitals could theoretically be provided from a location on the outskirts of Brighton (on the A27 ring road towards Portslade).

The MEA valuations used by the Group have been provided to the Group by the external valuers, Gerald Eve LLP. The Group has used component lives based upon contractual information provided by Gerald Eve LLP to depreciate buildings and dwellings on a component basis.

Under the MEA approach, trust sites will be multi-story hospital blocks built to a smaller footprint compared to the existing estate (similar to the 3Ts development).

Under the MEA approach, the Trust has assumed VAT will be recovered on a new build at a similar rate to the 3Ts project. The value without the VAT adjustment is £556.3m.

Depreciation

The reported amounts for depreciation of property, plant and equipment and amortisation of non-current intangible assets can be materially affected by the judgements exercised in determining their estimated economic lives. Economic lives are determined in a number of different ways such as valuations (external professional opinion) and physical asset verification exercises. Also the lives of the buildings is contingent of the opening of 3Ts.
The estimated economic lives of each class of asset are disclosed in notes 1.9, and the carrying values of property, plant and equipment in notes 17 to 18.

Note 1.30 Reconciliation of accounting performance to adjusted performance (control total basis)

This note shows how the trust performance is measured by NHS England compared to the accounting surplus/(deficit).

Note 2 Operating Segments

Consistent with previous years, the group and trust take the view that there is a single operating segment - the provision of healthcare.

Note 3 Operating income from patient care activities (Group and Trust)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	Group and Trust 2022/23 £000	2021/22 £000
Acute services		
Income from commissioners under API contracts*	1,069,665	1,011,067
High cost drugs income from commissioners (excluding pass-through costs)	128,740	126,466
Other NHS clinical income	229	3,379
Mental health services		
Income from commissioners under API contracts*	2,220	1,891
Community services		
Income from commissioners under API contracts*	22,662	17,428
Income from other sources (e.g. local authorities)	8,406	8,133
All services		
Private patient income	9,435	8,041
Elective recovery fund	32,600	23,169
Agenda for change pay award central funding***	27,433	
Additional pension contribution central funding**	34,758	32,697
Other clinical income	3,815	1,412
Total income from activities	**1,339,963**	**1,233,683**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 National tariff payments system documentation.

https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/

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

*** '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)

Income from patient care activities received from:	2022/23 £000	2021/22 £000
NHS England	349,461	304,185
Clinical commissioning groups	220,698	889,295
Integrated care boards	725,701	-
Department of Health and Social Care	-	22
Other NHS providers	152	545
NHS other	77	45
Local authorities	8,406	8,133
Non-NHS: private patients	9,435	8,041
Non-NHS: overseas patients (chargeable to patient)	459	400
Injury cost recovery scheme	3,162	1,357
Non NHS: other	22,412	21,660
Total income from activities	**1,339,963**	**1,233,683**
Of which:		
Related to continuing operations	1,339,963	1,233,683

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

	2022/23	2021/22
	£000	£000
Income recognised this year	459	400
Cash payments received in-year	352	212
Amounts added to provision for impairment of receivables	226	351
Amounts written off in-year	95	100

Note 4 Other operating income (Group)

	2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	5,707	-	**5,707**	6,215	-	**6,215**
Education and training	54,877	1,654	**56,531**	53,654	744	**54,398**
Non-patient care services to other bodies	14,312	-	**14,312**	11,720	-	**11,720**
Reimbursement and top up funding	1,185	-	**1,185**	7,007	-	**7,007**
Income in respect of employee benefits accounted on a gross basis	7,224	-	**7,224**	6,805	-	**6,805**
Receipt of capital grants and donations and peppercorn leases	-	695	**695**	-	686	**686**
Charitable and other contributions to expenditure	-	5,782	**5,782**	-	5,846	**5,846**
Revenue from operating leases	-	1,426	**1,426**	-	1,443	**1,443**
Charitable fund incoming resources	-	1,590	**1,590**	-	2,227	**2,227**
Other income	15,900	3,036	**18,936**	20,080	130	**20,210**
Total other operating income	**99,205**	**14,183**	**113,388**	**105,481**	**11,076**	**116,557**
Of which:						
Related to continuing operations			113,388			116,557

*Other operating income includes revenue streams such as; Car parking income, staff accommodation rental income, non NHS Pharmacy sales & Clinical Excellence Awards income.

Car Parking income	3,624	1,576
Catering	635	519
Pharmacy sales	6,257	6,304
Staff accommodation rental	1,406	1,146
Non-clinical services recharged to other bodies	-	174
Staff contribution to employee benefit schemes	38	29
Crèche services	837	831
Clinical tests	580	2,548
Clinical excellence awards	2,120	2,079
Other income not already covered (recognised under IFRS 15)	607	4,953
Other	3,036	130
Total before consolidation of charitable funds	19,140	20,289
Elimination of 'other income' on consolidation of charitable funds	(204)	(79)
Total after consolidation of charitable funds	**18,936**	**20,210**

Note 4.1 Other operating income (Trust)

	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	5,707	-	**5,707**	6,215	-	**6,215**
Education and training	54,877	1,654	**56,531**	53,654	744	**54,398**
Non-patient care services to other bodies	14,442	-	**14,442**	11,849	-	**11,849**
Reimbursement and top up funding	1,185	-	**1,185**	7,007	-	**7,007**
Income in respect of employee benefits accounted on a gross basis	7,224	-	**7,224**	6,805	-	**6,805**
Receipt of capital grants and donations and peppercorn leases	-	843	**843**	-	2,729	**2,729**
Charitable and other contributions to expenditure	-	5,782	**5,782**	-	5,846	**5,846**
Revenue from operating leases	-	1,491	**1,491**	-	1,489	**1,489**
Other income	15,867	4,011	**19,878**	19,966	1,280	**21,246**
Total other operating income	**99,302**	**13,781**	**113,083**	**105,496**	**12,088**	**117,584**
Of which:						
Related to continuing operations			113,083			117,584

*Other operating income includes revenue streams such as; Car parking income, staff accommodation rental income, non NHS Pharmacy sales & Clinical Excellence Awards income.

Car Parking income	3,624	1,576
Catering	635	519
Pharmacy sales	6,257	6,111
Staff accommodation rental	1,406	1,146
Estates recharges (external)	-	66
IT recharges (external)	-	108
Staff contribution to employee benefit schemes	38	29
Crèche services	837	831
Clinical tests	580	2,548
Clinical excellence awards	2,120	2,079
Other income not already covered (recognised under IFRS 15)	370	4,928
Other	4,011	1,305
Total	**19,878**	**21,246**

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

	2022/23	2021/22
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	4,761	2,481

Note 5.2 Transaction price allocated to remaining performance obligations (Group and Trust)

There were no transaction price allocations to remaining performance obligations in 2022/23 or 2021/22.

Note 5.3 Income from activities arising from commissioner requested services (Group and Trust)

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2022/23	2021/22
	£000	£000
Income from services designated as commissioner requested services	-	-
Income from services not designated as commissioner requested services	-	-
Total	**-**	**-**

Note 5.4 Fees and charges (Group and Trust)

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	2,742	1,572
Full cost	(1,037)	(515)
Surplus / (deficit)	**1,705**	**1,057**

The income relates to patient car parking charges.

Note 6 Operating leases - University Hospitals Sussex NHS Foundation Trust as lessor

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

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

The Trust leases space to third parties to provide food, beverages and newspapers, the swimming pool on the St Mary's Hall site in Brighton, office space and use of sites for the location of aerials. The Trust also leases space to the wholly owned subsidiary, Pharm@Sea Limited, Hyperbaric unit to Qinetiq and Nursery/childcare facility to The Co-operative Nursery. The terms of these leases vary between one and fifteen years.

Note 6.1 Operating leases income (Group)

	2022/23	2021/22
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	1,426	1,443
Variable lease receipts / contingent rents	-	-
Other	-	-
Total in-year operating lease income	**1,426**	**1,443**

Note 6.2 Future lease receipts (Group)

	31 March 2023
	£000
Future minimum lease receipts due at 31 March 2023:	
- not later than one year	1,328
- later than one year and not later than two years	1,175
- later than two years and not later than three years	1,117
- later than three years and not later than four years	1,117
- later than four years and not later than five years	637
- later than five years	-
Total	**5,374**

	31 March 2022
	£000
Future minimum lease receipts due at 31 March 2022:	
- not later than one year;	1,413
- later than one year and not later than five years;	4,769
- later than five years.	6
Total	**6,188**

Note 7.1 Operating expenses	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	4,808	5,637	4,808	5,637
Purchase of healthcare from non-NHS and non-DHSC bodies	35,116	38,331	34,998	38,214
Staff and executive directors costs	922,320	826,697	921,374	825,945
Remuneration of non-executive directors	244	243	244	243
Supplies and services - clinical (excluding drugs costs)	127,796	121,708	127,796	121,708
Supplies and services - general	16,263	11,845	16,222	11,845
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	140,992	136,044	144,587	138,632
Inventories written down	794	354	794	354
Consultancy costs	-	-	-	-
Establishment	9,384	11,126	9,309	11,064
Premises	50,703	44,569	50,677	44,550
Transport (including patient travel)	4,095	3,191	4,072	3,179
Depreciation on property, plant and equipment and right of use assets	39,855	34,781	39,831	34,763
Amortisation on intangible assets	2,485	3,334	2,485	3,334
Net impairments	48,449	23,359	48,449	23,359
Movement in credit loss allowance: contract receivables / contract assets	1,020	559	1,020	559
Movement in credit loss allowance: all other receivables and investments	325	682	325	682
Increase/(decrease) in other provisions	(909)	-	(905)	-
Change in provisions discount rate(s)	(1,316)	77	(1,316)	77
Fees payable to the external auditor				
audit services- statutory audit*	228	223	184	180
Internal audit costs	148	149	148	149
Clinical negligence	42,510	44,799	42,510	44,799
Legal fees	392	573	392	573
Insurance	1,126	1,044	1,115	1,034
Research and development	7,708	7,011	7,708	7,011
Education and training	33,745	24,147	33,741	24,144
Operating leases expenditure (comparative only)	-	5,187	-	5,187
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	876	1,101	876	1,101
Car parking & security	78	1,232	78	1,232
Hospitality	-	1	-	1
Losses, ex gratia & special payments	208	134	208	134
Other services, eg external payroll	1,308	433	1,308	433
Other NHS charitable fund resources expended	1,523	1,215	-	-
Other	416	2,455	407	2,452
Total	**1,492,690**	**1,352,241**	**1,493,445**	**1,352,575**
Of which:				
Related to continuing operations	1,492,690	1,352,241	1,493,445	1,352,575

*The audit fee payable to Grant Thornton is £153k plus VAT (21/22: £150k plus VAT)

Note 7.2 Other auditor remuneration (Group and Trust)

	2022/23	2021/22
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
Total	**-**	**-**

Note 7.3 Limitation on auditor's liability (Group and Trust)

The limitation on auditor's liability for external audit work is:

For the Trust only (Grant Thornton): £2m (2021/22: £2m)
For Love Your Hospital (LYH) (Kreston Reeves): Unlimited (2021/22: Unlimited)
For BSUH Charity (Galloways): £2m (2021/22: £2m)
For Pharm@Sea (Cardens): £2m (2021/22: £2m)

Note 8 Impairment of assets (Group and Trust)

	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	48,449	23,359
Total net impairments charged to operating surplus / deficit	**48,449**	**23,359**
Impairments charged to the revaluation reserve	6,837	14,518
Total net impairments	**55,286**	**37,877**

The impairment due to changes in market price relates to a change in the value of the trust's estate following the annual review carried out by the external valuer Gerald Eve LLP.

Note 9 Employee benefits

	Group		Trust	
	2022/23 Total £000	2021/22 Total £000	2022/23 Total £000	2021/22 Total £000
Salaries and wages	722,658	644,830	721,812	644,093
Social security costs	76,558	67,806	76,482	67,806
Apprenticeship levy	3,439	3,216	3,439	3,216
Employer's contributions to NHS pensions	113,966	107,445	113,942	107,445
Temporary staff (including agency)	42,620	27,813	42,620	27,798
Total gross staff costs	**959,241**	**851,110**	**958,295**	**850,358**
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	**959,241**	**851,110**	**958,295**	**850,358**
Of which				
Costs capitalised as part of assets	5,157	2,646	5,157	2,646

Senior staff salary and pension disclosures have been included within the Remuneration Report.
Head count disclosures have been included within the Staff Report.

Note 9.1 Retirements due to ill-health (Group)

During 2022/23 there were 11 early retirements from the trust agreed on the grounds of ill-health (7 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £419k (£403k in 2021/22).

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

Note 10 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

c) NEST

The Pensions Act 2008 and 2001 Automatic Enrolment Regulations required all employers to enrol workers meeting certain criteria into a pension scheme and pay contributions toward their retirement. Employees who are unable to join the NHS Pensions Scheme are covered by the National Employers Savings Trust ("NEST").

The auto enrolment "staging" date for the trust compliance was 1 July 2013. This was followed by a re-enrolment date of 1 July 2016 and then again on the 1 July 2019. For those staff not entitled to join the NHS Pension Scheme, the trust utilised an alternative pension scheme called NEST to fulfil its automatic enrolment obligations. NEST is a defined contribution pension scheme established by law to support the introduction of auto enrolment.

Contributions are taken from qualifying earnings, which are currently from £6,240 up to £50,270 but are reviewed every year by the government. The initial contribution was 1% of qualifying earnings, with an employer contribution of 1%. This has been increased by the stages below which were set by the government.

Date	Employee Contribution	Employer Contribution	Total Contribution
1st March 2013	1%	1%	2%
6th April 2018	3%	2%	5%
6th April 2019	5%	3%	8%

Note 11 Finance income

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

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Interest on bank accounts	2,170	30	2,169	30
NHS charitable fund investment income	446	332	-	-
Total finance income	**2,616**	**362**	**2,169**	**30**

Note 12.1 Finance expenditure (Group and Trust)

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

	2022/23	2021/22
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	1,263	1,372
Interest on lease obligations	614	157
Interest on late payment of commercial debt	-	1
Main finance costs on PFI and LIFT schemes obligations	1,300	1,400
Contingent finance costs on PFI and LIFT scheme obligations	1,834	1,519
Total interest expense	**5,011**	**4,449**
Unwinding of discount on provisions	496	(20)
Total finance costs	**5,507**	**4,429**

The table above pertains to the group and the trust as neither the Charitable funds nor Pharm@Sea Limited have any borrowings.

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

	2022/23	2021/22
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	3,493	2,100
Amounts included within interest payable arising from claims made under this legislation	-	1
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains / (losses)

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Gains on disposal of assets	50	339	50	339
Losses on disposal of assets	-	(3)	-	(3)
Total gains / (losses) on disposal of assets	**50**	**336**	**50**	**336**
Fair value gains / (losses) on charitable fund investments & investment properties	(1,088)	1,264	-	-
Total other gains / (losses)	**(1,038)**	**1,600**	**50**	**336**

Note 14 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The trust's surplus/(deficit) for the period was (£60) million (2021/22: £571 million). The trust's total comprehensive income/(expense) for the period was (£38) million (2021/22: £613 million).

Note 15 Discontinued operations (Group and Trust)

There were no discontinued operations in 2022/2023.

Note 16.1 Intangible assets - 2022/23

Group and Trust	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2022 - brought forward	**14,417**	**12,860**	**4,318**	**1,112**	**32,707**
Additions	7,913	220	433	-	**8,566**
Disposals / derecognition	-	-	-	(1,112)	**(1,112)**
Valuation / gross cost at 31 March 2023	**22,330**	**13,080**	**4,751**	**-**	**40,161**
Amortisation at 1 April 2022 - brought forward	**2,857**	**1,356**	**-**	**1,112**	**5,325**
Provided during the year	1,738	747	-	-	**2,485**
Disposals / derecognition	-	-	-	(1,112)	**(1,112)**
Amortisation at 31 March 2023	**4,595**	**2,103**	**-**	**-**	**6,698**
Net book value at 31 March 2023	**17,735**	**10,977**	**4,751**	**-**	**33,463**
Net book value at 1 April 2022	**11,560**	**11,504**	**4,318**	**-**	**27,382**

Note 16.2 Intangible assets - 2021/22

Group and Trust	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2021 - as previously stated	**12,501**	**9,135**	**-**	**1,112**	**22,748**
Transfers by absorption	6,036	2,752	-	-	**8,788**
Additions	1,617	1,919	4,318	-	**7,854**
Disposals / derecognition	(5,737)	(946)	-	-	**(6,683)**
Valuation / gross cost at 31 March 2022	**14,417**	**12,860**	**4,318**	**1,112**	**32,707**
Amortisation at 1 April 2021 - as previously stated	**6,258**	**-**	**-**	**-**	**6,258**
Transfers by absorption	974	1,442	-	-	**2,416**
Provided during the year	1,588	637	-	1,109	**3,334**
Reclassifications	(226)	223	-	3	**-**
Disposals / derecognition	(5,737)	(946)	-	-	**(6,683)**
Amortisation at 31 March 2022	**2,857**	**1,356**	**-**	**1,112**	**5,325**
Net book value at 31 March 2022	**11,560**	**11,504**	**4,318**	**-**	**27,382**
Net book value at 1 April 2021	**6,243**	**9,135**	**-**	**1,112**	**16,490**

Note 17.1 Property, plant and equipment - 2022/23

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	**59,665**	**439,605**	**10,969**	**439,259**	**132,042**	**17**	**56,079**	**779**	**1,138,415**
IFRS 16 implementation - reclassification to right of use assets	(1,280)	-	(3,291)	-	-	-	-	-	**(4,571)**
Additions	-	55,197	-	45,798	2,463	-	547	-	**104,005**
Impairments charged to operating expenses	(529)	(38,151)	(48)	-	-	-	-	-	**(38,728)**
Impairments charged to the revaluation reserve	(9,311)	(4,656)	(641)	-	-	-	-	-	**(14,608)**
Reversals of impairments credited to operating expenses	-	5,755	-	-	-	-	-	-	**5,755**
Reversals of impairments credited to the revaluation reserve	-	8,187	-	-	-	-	-	-	**8,187**
Revaluations	3	12,504	(91)	-	-	-	-	-	**12,416**
Reclassifications	-	5,217	(1,214)	(29,447)	9,984	-	15,460	-	**-**
Disposals / derecognition	-	-	-	-	(1,496)	-	(46)	-	**(1,542)**
Valuation/gross cost at 31 March 2023	**48,548**	**483,658**	**5,684**	**455,610**	**142,993**	**17**	**72,040**	**779**	**1,209,329**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**	**48,488**	**12**	**21,858**	**530**	**70,888**
Provided during the year	-	15,725	144	-	10,626	3	8,336	35	**34,869**
Revaluations	-	(15,725)	(144)	-	-	-	-	-	**(15,869)**
Disposals / derecognition	-	-	-	-	(1,496)	-	(46)	-	**(1,542)**
Accumulated depreciation at 31 March 2023	**-**	**-**	**-**	**-**	**57,618**	**15**	**30,148**	**565**	**88,346**
Net book value at 31 March 2023	**48,548**	**483,658**	**5,684**	**455,610**	**85,375**	**2**	**41,892**	**214**	**1,120,983**
Net book value at 1 April 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,554**	**5**	**34,221**	**249**	**1,067,527**

Note 17.2 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**21,464**	**207,189**	**7,891**	**4,022**	**90,536**	**282**	**32,361**	**2,519**	**366,264**
Transfers by absorption	26,057	221,649	575	345,724	142,498	217	59,609	4,322	**800,651**
Additions	-	23,820	-	99,836	11,292	-	7,354	-	**142,302**
Impairments charged to operating expenses	(1,837)	(22,861)	-	-	-	-	-	-	**(24,698)**
Impairments charged to the revaluation reserve	(1,223)	(13,214)	(81)	-	-	-	-	-	**(14,518)**
Revaluations	15,204	23,022	2,584	-	-	-	-	-	**40,810**
Reclassifications	-	-	-	(10,323)	8,069	-	2,254	-	**-**
Disposals / derecognition	-	-	-	-	(120,353)	(482)	(45,499)	(6,062)	**(172,396)**
Valuation/gross cost at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**132,042**	**17**	**56,079**	**779**	**1,138,415**
Accumulated depreciation at 1 April 2021 - as previously stated	**-**	**-**	**-**	**-**	**57,428**	**274**	**20,117**	**2,236**	**80,055**
Transfers by absorption	-	-	-	-	100,979	217	39,973	4,318	**145,487**
Provided during the year	-	16,721	417	-	10,335	3	7,267	38	**34,781**
Impairments charged to operating expenses	-	(1,339)	-	-	-	-	-	-	**(1,339)**
Revaluations	-	(15,382)	(417)	-	-	-	-	-	**(15,799)**
Disposals / derecognition	-	-	-	-	(120,254)	(482)	(45,499)	(6,062)	**(172,297)**
Accumulated depreciation at 31 March 2022	**-**	**-**	**-**	**-**	**48,488**	**12**	**21,858**	**530**	**70,888**
Net book value at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,554**	**5**	**34,221**	**249**	**1,067,527**
Net book value at 1 April 2021	**21,464**	**207,189**	**7,891**	**4,022**	**33,108**	**8**	**12,244**	**283**	**286,209**

Note 17.3 Property, plant and equipment financing - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	47,952	441,889	5,684	453,960	78,209	2	41,813	89	**1,069,598**
On-SoFP PFI contracts and other service concession arrangements	-	33,391	-	-	-	-	-	-	**33,391**
Owned - donated/granted	596	8,378	-	1,650	7,166	-	79	125	**17,994**
NBV total at 31 March 2023	**48,548**	**483,658**	**5,684**	**455,610**	**85,375**	**2**	**41,892**	**214**	**1,120,983**

Note 17.4 Property, plant and equipment financing - 31 March 2022

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	57,723	401,234	7,678	438,109	75,663	5	34,146	110	**1,014,668**
Finance leased	1,280	-	3,291	-	-	-	-	-	**4,571**
On-SoFP PFI contracts and other service concession arrangements	-	30,109	-	-	-	-	-	-	**30,109**
Owned - donated/granted	662	8,262	-	1,150	7,891	-	75	139	**18,179**
NBV total at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,554**	**5**	**34,221**	**249**	**1,067,527**

Note 17.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	-	-	-	-	-	-	-	**-**
Not subject to an operating lease	48,548	483,658	5,684	455,610	85,375	2	41,892	214	**1,120,983**
NBV total at 31 March 2023	**48,548**	**483,658**	**5,684**	**455,610**	**85,375**	**2**	**41,892**	**214**	**1,120,983**

Note 18.1 Property, plant and equipment - 2022/23

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2022 - brought forward	**59,665**	**439,605**	**10,969**	**439,259**	**131,543**	**17**	**56,079**	**779**	**1,137,916**
IFRS 16 implementation - reclassification of existing leased assets to right of use assets	(1,280)	(54)	(3,291)	-	-	-	-	-	**(4,625)**
Additions	-	55,197	-	45,798	2,463	-	547	-	**104,005**
Impairments charged to operating expenses	(529)	(38,151)	(48)	-	-	-	-	-	**(38,728)**
Impairments charged to the revaluation reserves	(9,311)	(4,656)	(641)	-	-	-	-	-	**(14,608)**
Reversals of impairments credited to operating expenses	-	5,755	-	-	-	-	-	-	**5,755**
Reversals of impairments credited to the revaluation reserve	-	8,187	-	-	-	-	-	-	**8,187**
Revaluations	3	12,509	(91)	-	-	-	-	-	**12,421**
Reclassifications	-	5,217	(1,214)	(29,447)	9,984	-	15,460	-	**-**
Disposals / derecognition	-	-	-	-	(1,496)	-	(46)	-	**(1,542)**
Valuation/gross cost at 31 March 2023	**48,548**	**483,609**	**5,684**	**455,610**	**142,494**	**17**	**72,040**	**779**	**1,208,781**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**	**48,098**	**12**	**21,858**	**530**	**70,498**
Provided during the year	-	15,720	144	-	10,607	3	8,336	35	**34,845**
Revaluations	-	(15,720)	(144)	-	-	-	-	-	**(15,864)**
Disposals / derecognition	-	-	-	-	(1,496)	-	(46)	-	**(1,542)**
Accumulated depreciation at 31 March 2023	**-**	**-**	**-**	**-**	**57,209**	**15**	**30,148**	**565**	**87,937**
Net book value at 31 March 2023	**48,548**	**483,609**	**5,684**	**455,610**	**85,285**	**2**	**41,892**	**214**	**1,120,844**
Net book value at 1 April 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,445**	**5**	**34,221**	**249**	**1,067,418**

Note 18.2 Property, plant and equipment - 2021/22

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	**21,464**	**207,189**	**7,891**	**4,022**	**90,536**	**282**	**32,361**	**2,519**	**366,264**
Transfers by absorption	26,057	221,649	575	345,724	141,999	217	59,609	4,322	**800,152**
Additions	-	23,820	-	99,836	11,292	-	7,354	-	**142,302**
Impairments charged to operating expenses	(1,837)	(22,861)	-	-	-	-	-	-	**(24,698)**
Impairments charged to the revaluation reserves	(1,223)	(13,214)	(81)						**(14,518)**
Revaluations	15,204	23,022	2,584	-	-	-	-	-	**40,810**
Reclassifications	-	-	-	(10,323)	8,069	-	2,254	-	**-**
Disposals / derecognition	-	-	-	-	(120,353)	(482)	(45,499)	(6,062)	**(172,396)**
Valuation/gross cost at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**131,543**	**17**	**56,079**	**779**	**1,137,916**
Accumulated depreciation at 1 April 2021 - as previously stated	**-**	**-**	**-**	**-**	**57,428**	**274**	**20,117**	**2,236**	**80,055**
Transfers by absorption	-	-	-	-	100,607	217	39,973	4,318	**145,115**
Provided during the year	-	16,721	417	-	10,317	3	7,267	38	**34,763**
Reversals of impairments	-	(1,339)	-	-	-	-	-	-	**(1,339)**
Revaluations	-	(15,382)	(417)	-	-	-	-	-	**(15,799)**
Disposals / derecognition	-	-	-	-	(120,254)	(482)	(45,499)	(6,062)	**(172,297)**
Accumulated depreciation at 31 March 2022	**-**	**-**	**-**	**-**	**48,098**	**12**	**21,858**	**530**	**70,498**
Net book value at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,445**	**5**	**34,221**	**249**	**1,067,418**
Net book value at 1 April 2021	**21,464**	**207,189**	**7,891**	**4,022**	**33,108**	**8**	**12,244**	**283**	**286,209**

Note 18.3 Property, plant and equipment financing - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	47,952	441,840	5,684	453,960	78,119	2	41,813	89	**1,069,459**
On-SoFP PFI contracts and other service concession arrangements	-	33,391	-	-	-	-	-	-	**33,391**
Owned - donated / granted	596	8,378	-	1,650	7,166	-	79	125	**17,994**
Total net book value at 31 March 2023	**48,548**	**483,609**	**5,684**	**455,610**	**85,285**	**2**	**41,892**	**214**	**1,120,844**

Note 18.4 Property, plant and equipment financing - 31 March 2022

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	57,723	401,234	7,678	438,109	75,554	5	34,146	110	**1,014,559**
Finance leased	1,280	-	3,291	-	-	-	-	-	**4,571**
On-SoFP PFI contracts and other service concession arrangements	-	30,109	-	-	-	-	-	-	**30,109**
Owned - donated / granted	662	8,262	-	1,150	7,891	-	75	139	**18,179**
Total net book value at 31 March 2022	**59,665**	**439,605**	**10,969**	**439,259**	**83,445**	**5**	**34,221**	**249**	**1,067,418**

Note 18.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	53	-	-	-	-	-	-	-	**53**
Not subject to an operating lease	48,495	483,609	5,684	455,610	85,285	2	41,892	214	**1,120,791**
Total net book value at 31 March 2023	**48,548**	**483,609**	**5,684**	**455,610**	**85,285**	**2**	**41,892**	**214**	**1,120,844**

Note 19 Donations of property, plant and equipment

The value of assets donated by the Brighton and Sussex University Hospitals NHS Trust Charitable Funds and Love Your Hospital Charity during the year was £148k (2021/22: £2,239k). There are no restrictions or conditions imposed by the donations.

There is no difference between the cash provided and the fair value of the assets acquired.

Note 20 Revaluations of property, plant and equipment

The trust undertakes an estates revaluation annually. This year a desktop update valuation with targeted inspection of major new schemes was carried out as at 31 March 2023 by the external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was carried out in accordance with the requirements of the RICS valuation - Global Standard 2022 and the national standards and guidance set out in the UK national supplement (November 2018 edition), and the International Valuation Standards and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM).

Assets which are held for their service potential (i.e. operational assets) and are in use were measured at Current Value in Existing Use, which is defined in the RICS Red Book as Existing Use Value. For specialised operational assets, current value in existing use is derived using the Depreciated Replacement Cost method subject to the assumption of continuing use.

Most of the trust's assets qualify as specialised operational assets and therefore fall to be assessed using the Depreciated Replacement Cost method and have been valued on an optimal site modern equivalent asset basis. That is the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Non-operational assets, including surplus land, are valued on the basis of Fair Value as the property is no longer required for existing operations, which have ceased. Fair value is determined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between participants at the measurement date.

For the avoidance of doubt, the valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

The estimated remaining lives of the buildings have been adjusted in line with the Gerald Eve's valuation. The estimated remaining lives of the trust's assets are shown in accounting policies note 1.9.

The Group and Trust revaluation value for 2022/23 £29,177k (2021/22 £56,609k) is shown within section "Other comprehensive income, will not be reclassified to income and expenditure" on the Consolidated Statement of Comprehensive Income.

Note 21 Leases - University Hospitals Sussex NHS Foundation Trust as a lessee

This note details information about leases for which University Hospitals Sussex NHS Foundation Trust is a lessee.

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.

The trust has leasing arrangements including building leases, vehicle leases, and implicit equipment leases within Managed Equipment Services (MES) contracts.
The trust leases the following properties;

- Sussex House, Brighton
- Freshfield, Brighton
- Preston Road, Brighton
- Radiotherapy centre, Eastbourne
- Ridgeworth House, Worthing
- 74 - 80 Park Road, Worthing

In addition, the trust entered into a sublease arrangement with NHS Sussex ICB (previously Coastal West Sussex CCG) for office buildings in 2019/20.

Comparative disclosure under IAS 17:	2021/22 £000
Operating lease expense	
Minimum lease payments	5,503
Contingent rents	-
Less sublease payments received	(316)
Total	**5,187**

	Land £000	Buildings £000	Other £000	31 March 2022 £000
Future minimum lease payments due:				
- not later than one year;	126	3,611	830	4,567
- later than one year and not later than five years;	158	10,860	1,390	12,408
- later than five years.	-	19,250	2	19,252
Total	**284**	**33,721**	**2,222**	**36,227**
Future minimum sublease payments to be received		(679)		(679)

Note 21.1 Right of use assets - 2022/23

Group	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	4,571	-	**4,571**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	60,318	7,500	**67,818**	20,759
Additions	4,992	58	**5,050**	-
Impairments	(419)	-	**(419)**	-
Reversal of impairments	3	-	**3**	-
Revaluations	892	-	**892**	-
Valuation/gross cost at 31 March 2023	**70,357**	**7,558**	**77,915**	**20,759**
Provided during the year	4,233	753	**4,986**	1,306
Impairments	15,476	-	**15,476**	-
Accumulated depreciation at 31 March 2023	**19,709**	**753**	**20,462**	**1,306**
Net book value at 31 March 2023	**50,648**	**6,805**	**57,453**	**19,453**
Net book value of right of use assets leased from other NHS providers				14,846
Net book value of right of use assets leased from other DHSC group bodies				4,607

Note 21.2 Right of use assets - 2022/23

Trust	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	4,625	-	**4,625**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	60,264	7,500	**67,764**	20,759
Additions	4,992	58	**5,050**	-
Impairments	(419)	-	**(419)**	-
Reversal of impairments	3	-	**3**	-
Revaluations	892	-	**892**	-
Valuation/gross cost at 31 March 2023	**70,357**	**7,558**	**77,915**	**20,759**
Provided during the year	4,233	753	**4,986**	1,306
Impairments	15,476	-	**15,476**	-
Accumulated depreciation at 31 March 2023	**19,709**	**753**	**20,462**	**1,306**
Net book value at 31 March 2023	**50,648**	**6,805**	**57,453**	**19,453**

Net book value of right of use assets leased from other NHS providers	14,846
Net book value of right of use assets leased from other DHSC group bodies	4,607

Note 21.3 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 .

	Group and Trust 2022/23 £000
Carrying value at 31 March 2022	**2,071**
IFRS 16 implementation - adjustments for existing operating leases	69,455
Lease additions	4,998
Interest charge arising in year	614
Lease payments (cash outflows)	(5,203)
Carrying value at 31 March 2023	**71,935**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.
These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 21.4 Maturity analysis of future lease payments at 31 March 2023

	Group and Trust	
	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;	6,067	1,406
- later than one year and not later than five years;	21,804	5,623
- later than five years.	54,687	14,102
Total gross future lease payments	**82,558**	**21,131**
Finance charges allocated to future periods	(10,623)	(1,588)
Net lease liabilities at 31 March 2023	**71,935**	**19,543**
Of which:		
- Leased from other NHS Providers	5,308	1,228
- Leased from other DHSC group bodies	66,627	18,315

Note 21.5 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.

	Group and Trust
	31 March 2022
	£000
Undiscounted future lease payments payable in:	
- not later than one year;	157
- later than one year and not later than five years;	633
- later than five years.	10,243
Total gross future lease payments	**11,033**
Finance charges allocated to future periods	(8,962)
Net finance lease liabilities at 31 March 2022	**13,104**
of which payable:	
- not later than one year;	1
- later than one year and not later than five years;	5
- later than five years.	2,065

Note 21.6 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.

	Group and Trust
	2021/22
	£000
Operating lease expense	
Minimum lease payments	5,503
Contingent rents	-
Less sublease payments received	(316)
Total	**5,187**

	31 March 2022
	£000
Future minimum lease payments due:	
- not later than one year;	4,567
- later than one year and not later than five years;	12,408
- later than five years.	19,252
Total	**36,227**
Future minimum sublease payments to be received	(679)

Note 21.7 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 15.

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

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

	Group and Trust 1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**36,227**
Impact of discounting at the incremental borrowing rate	
IAS 17 operating lease commitment discounted at incremental borrowing rate	**35,883**
Less:	
Irrecoverable VAT previously included in IAS 17 commitment	(97)
Services included in IAS 17 commitment not included in the IFRS 16 liability	(634)
Other adjustments:	
Differences in the assessment of the lease term	29,745
Rent increases/(decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	4,559
Finance lease liabilities under IAS 17 as at 31 March 2022	2,071
Total lease liabilities under IFRS 16 as at 1 April 2022	**71,527**

Note 22 Investments in associates and joint ventures

Neither the group nor trust has any investments in unconsolidated subsidiaries, joint ventures, associates or unconsolidated entities.

Note 23 Other investments / financial assets (non-current)

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**16,929**	**1,603**	**1,101**	**-**
Transfers by absorption	-	14,062	-	1,101
Movement in fair value through income and expenditure	(1,088)	1,264	-	-
Carrying value at 31 March	**15,841**	**16,929**	**1,101**	**1,101**

£1,101k represents the cost of investment in Pharm@Sea Limited, the wholly owned subsidiary of the trust. The company is registered in the UK, company no. 08842973 with a share capital of 1,101,000 of £1 each. The company trades as an outpatients dispensary service at the Royal Sussex County Hospital site. The figures in the note below are based on the audited accounts to the 31 March 2023.

£15,841k is the combined investments of Brighton and Sussex University Hospitals NHS Trust Charitable Funds and Love Your Hospital Charity.

Note 24 Disclosure of interests in other entities

The trust's investment of £1,101k represents the cost of investment in Pharm@Sea Limited, the wholly owned subsidiary of the Trust. The company is registered in the UK, company no. 08842973 with a share capital of 1,101,000 of £1 each. The company trades as an outpatients dispensary service at the Royal Sussex County Hospital site.

Note 25 Analysis of charitable fund reserves

The trust has consolidated the Brighton and Sussex University Hospitals NHS Charitable Funds and Love Your Hospitals Charity draft accounts as at 31 March 2022 as part of these accounts. The analysis of funds is noted below.

	31 March 2023 £000	31 March 2022 £000
Unrestricted funds:		
Unrestricted income funds	14,085	14,970
Restricted funds:		
Endowment funds	471	471
Other restricted income funds	1,349	1,414
	15,905	**16,855**

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

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

Note 26 Inventories

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Drugs	7,376	6,669	6,584	5,727
Consumables	11,194	11,375	11,194	11,375
Energy	-	203	-	203
Other	-	43	-	43
Total inventories	**18,570**	**18,290**	**17,778**	**17,348**
of which:				
Held at fair value less costs to sell	-	-	-	-

Inventories recognised in expenses for the year were £253,486k (2021/22: £241,036k). Write-down of inventories recognised as expenses for the year were £794k (2021/22: £354k).The write down of inventories relates primarily to expired and damaged drugs.

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 £2,770k of items purchased by DHSC (2021/22: £3,687k).

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 27.1 Receivables

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Contract receivables*	61,436	26,334	62,395	35,020
Allowance for impaired contract receivables / assets	(9,315)	(8,401)	(9,315)	(8,401)
Allowance for other impaired receivables	(1,828)	(1,503)	(1,828)	(1,503)
Deposits and advances	184	82	184	82
Prepayments (non-PFI)	17,359	5,785	17,347	5,775
Interest receivable	354	-	354	-
Finance lease receivables	226	-	231	-
VAT receivable	3,299	4,481	2,730	3,742
Other receivables*	4,360	9,359	4,360	1,786
NHS charitable funds receivables	313	1,178	-	-
Total current receivables	**76,388**	**37,315**	**76,458**	**36,501**
Non-current				
Prepayments (non-PFI)	6,193	5,275	6,193	5,275
Finance lease receivables	1,203	-	1,246	-
Other receivables	2,311	2,432	2,311	2,432
Total non-current receivables	**9,707**	**7,707**	**9,750**	**7,707**
Of which receivable from NHS and DHSC group bodies:				
Current	46,078	15,956	46,078	15,956
Non-current	3,514	2,432	3,514	2,432

*Values for prior year restated to align with classification in current year.

Note 27.2 Allowances for credit losses - 2022/23

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2022 - brought forward	**8,401**	**1,503**	**8,401**	**1,503**
Changes in existing allowances	1,020	325	1,020	325
Changes arising following modification of contractual cash flows	(106)	-	(106)	-
Allowances as at 31 Mar 2023	**9,315**	**1,828**	**9,315**	**1,828**

Note 27.3 Allowances for credit losses - 2021/22

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2021 - as previously stated	**886**	**821**	**886**	**821**
Transfers by absorption	6,956	-	6,956	-
Changes in existing allowances	488	19	488	19
Reversals of allowances	71	663	71	663
Allowances as at 31 Mar 2022	**8,401**	**1,503**	**8,401**	**1,503**

Note 27.4 Exposure to credit risk

In accordance with IFRS 9, the trust is required to measure the loss allowance of lifetime expected credit losses at initial recognition of the debt being raised.

The expected credit loss is only applied to Non NHS debt. NHS organisations are excluded from the calculation as NHS transactions are considered to be part of DHSC group accounts eliminated on consolidation.

The trust has used the ageing profile to assess the level of risk. The percentages applied to each class derives from both historic data accumulated as well as current and future projections.

Note 28 Finance leases (University Hospitals Sussex NHS Foundation Trust as a lessor)

This note discloses future lease payments receivable from lease arrangements classified as finance leases where the University Hospitals Sussex NHS Foundation Trust is the lessor.

The Trust has entered various sublease arrangements.

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

	Group 2022/23 £000	Trust 2022/23 £000
Finance lease receivables at 31 March 2022	**-**	**-**
IFRS 16 implementation - adjustments for existing subleases	1,637	1,691
Lease receipts (cash payments received)	(208)	(214)
Finance lease receivables at 31 March 2023	**1,429**	**1,477**

Note 28.2 Finance lease receivables maturity analysis as at 31 March 2023

	Group		Trust	
	Total	Of which leased to DHSC group bodies:	Total	Of which leased to DHSC group bodies:
	31 March 2023 £000	31 March 2023 £000	31 March 2023 £000	31 March 2023 £000
Undiscounted future lease receipts receivable in:				
not later than one year;	226	226	232	226
later than one year and not later than two years;	226	226	232	226
later than two years and not later than three years;	226	226	232	226
later than three years and not later than four years;	226	226	232	226
later than four years and not later than five years;	226	226	232	226
later than five years.	357	357	381	357
Total future finance lease payments to be received	**1,487**	**1,487**	**1,541**	**1,487**
Unearned interest income	(58)	(58)	(64)	(58)
Net investment in lease (net lease receivable)	**1,429**	**1,429**	**1,477**	**1,429**
of which:				
Leased to other NHS providers		-		-
Leased to other DHSC group bodies		1,429		1,429

Note 29 Other assets

Neither the group nor the trust has any other assets.

Note 30.1 Non-current assets held for sale and assets in disposal groups

The Board has not declared that any assets are surplus to requirements in 2022/23 (2021/22 Nil).

Note 30.2 Liabilities in disposal groups

Neither the group nor the trust have any liabilities in disposal groups.

Note 31.1 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.

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
At 1 April	**114,379**	**45,012**	**111,189**	**43,877**
Transfers by absorption	-	48,535	-	46,828
Net change in year	(53,855)	20,832	(54,233)	20,484
At 31 March	**60,524**	**114,379**	**56,956**	**111,189**
Broken down into:				
Cash at commercial banks and in hand	1,670	1,288	13	222
Cash with the Government Banking Service	58,854	113,091	56,943	110,967
Total cash and cash equivalents as in SoCF	**60,524**	**114,379**	**56,956**	**111,189**

Note 31.2 Third party assets held by the trust

University Hospitals Sussex NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2023	31 March 2022
	£000	£000
Monies on deposit	7	2
Total third party assets	**7**	**2**

Note 32.1 Trade and other payables

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Trade payables	18,040	31,270	20,109	29,955
Capital payables	17,915	17,989	17,915	17,989
Accruals	125,254	77,798	124,192	78,636
Social security costs	9,909	10,115	9,899	10,100
Other taxes payable	10,961	10,298	10,498	9,992
PDC dividend payable	136	1,125	136	1,125
Pension contributions payable	10,941	10,478	10,941	10,478
Other payables	1,329	1,430	1,337	1,461
NHS charitable funds: trade and other payables	1,906	2,318	-	-
Total current trade and other payables	**196,391**	**162,821**	**195,027**	**159,736**
Of which payables from NHS and DHSC group bodies:				
Current	9,085	11,933	9,085	11,933

Note 32.2 Early retirements in NHS payables above

The Trade and other payables note above does not include amounts in relation to early retirements.

Note 33 Other liabilities

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	403	2,367	403	2,367
Other deferred income	2,343	2,394	2,344	2,394
Total other current liabilities	**2,746**	**4,761**	**2,747**	**4,761**

Note 34 Borrowings

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Loans from DHSC	4,393	4,911	4,393	4,911
Lease liabilities*	5,308	1	5,308	1
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	2,373	1,767	2,373	1,767
Total current borrowings	**12,074**	**6,679**	**12,074**	**6,679**
Non-current				
Loans from DHSC	40,772	45,011	40,772	45,011
Lease liabilities*	66,627	2,070	66,627	2,070
Obligations under PFI, LIFT or other service concession contracts	20,131	22,504	20,131	22,504
Total non-current borrowings	**127,530**	**69,585**	**127,530**	**69,585**

* The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in accounting policy can be found in note 21.

Note 34 Reconciliation of liabilities arising from financing activities

Group and Trust- 2022/23	Loans from DHSC	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2022	**49,922**	**2,071**	**24,271**	**76,264**
Cash movements:				
Financing cash flows - payments and receipts of principal	(4,740)	(4,589)	(1,767)	**(11,096)**
Financing cash flows - payments of interest	(1,280)	(614)	(1,300)	**(3,194)**
Non-cash movements:				
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	69,455	-	**69,455**
Additions	-	4,998	-	**4,998**
Application of effective interest rate	1,263	614	1,300	**3,177**
Carrying value at 31 March 2023	**45,165**	**71,935**	**22,504**	**139,604**

Group and Trust- 2021/22	Loans from DHSC	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2021	**14,785**	**2,209**	**-**	**16,994**
Cash movements:				
Financing cash flows - payments and receipts of principal	(4,741)	(138)	(1,857)	**(6,736)**
Financing cash flows - payments of interest	(1,386)	(157)	(1,400)	**(2,943)**
Non-cash movements:				
Transfers by absorption	39,892	-	26,128	**66,020**
Application of effective interest rate	1,372	157	1,400	**2,929**
Carrying value at 31 March 2022	**49,922**	**2,071**	**24,271**	**76,264**

Note 35.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Restructuring	Other	Charitable fund provisions	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2022	**1,364**	**3,447**	**629**	**1,118**	**7,177**	**-**	**13,735**
Change in the discount rate	(481)	(835)	-	-	(2,033)	-	**(3,349)**
Arising during the year	-	-	602	-	1,933	-	**2,535**
Utilised during the year	(120)	(187)	-	-	(1,304)	-	**(1,611)**
Reversed unused	-	-	(325)	(1,118)	(112)	-	**(1,555)**
Unwinding of discount	135	128	-	-	279	-	**542**
At 31 March 2023	**898**	**2,553**	**906**	**-**	**5,940**	**-**	**10,297**
Expected timing of cash flows:							
- not later than one year;	120	187	906	-	516	-	**1,729**
- later than one year and not later than five years;	459	715	-	-	376	-	**1,550**
- later than five years.	319	1,651	-	-	5,048	-	**7,018**
Total	**898**	**2,553**	**906**	**-**	**5,940**	**-**	**10,297**

Pension costs are based upon known amounts that will have to be paid to the NHS Pension Agency in respect of staff who have retired early. By their very nature, provisions are estimates, though informed. For the calculation of pension and injury benefit liabilities, government actuary figures for expected mortality have been used and for legal claims, data is provided by the NHS Litigation Authority.
The provision for Injury Benefits is for the reimbursement of injury benefit allowances to the NHS Pensions Agency and the timing of these payments is based the on age of the recipients.

Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in this tax year (2019/20) face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold will be able to have this charge paid by the NHS Pension Scheme (by completing and returning a 'Scheme Pays' form before 31 July 2021). The Trust estimates that all consultants will take advantage of this offer. NHS England has used information provided by the Government Actuaries Department and NHS Business Services Authority to calculate an 'average discounted value per nomination'. A provision broadly equal to the tax charge owed by clinicians who want to take advantage of the 2019/20 Commitment. This will be offset by the commitment from NHS England and the Government to fund the payments to clinicians as and when they arise. This has been disclosed under other provisions.

The provision for Legal Claims provides for the Liability to Third Party Schemes (LTPS) and Public & Employers Liability Scheme (PES). This provision covers the excess amount payable by the Trust and not the full liability of claims which is covered by NHS Resolution under the non-clinical risk pooling scheme. The timings of the cash flows are based on estimated dates for the finalisation of the claims.

Note 35.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Restructuring	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2022	**1,364**	**3,447**	**629**	**1,118**	**-**	**7,150**	**13,708**
Change in the discount rate	(481)	(835)	-	-	-	(2,033)	**(3,349)**
Arising during the year	-	-	602	-	-	1,933	**2,535**
Utilised during the year	(120)	(187)	-	-	-	(1,304)	**(1,611)**
Reversed unused	-	-	(325)	(1,118)	-	(108)	**(1,551)**
Unwinding of discount	135	128	-	-	-	279	**542**
At 31 March 2023	**898**	**2,553**	**906**	**-**	**-**	**5,917**	**10,274**
Expected timing of cash flows:							
- not later than one year;	120	187	906	-	-	516	**1,729**
- later than one year and not later than five years;	459	715	-	-	-	376	**1,550**
- later than five years.	319	1,651	-	-	-	5,025	**6,995**
Total	**898**	**2,553**	**906**	**-**	**-**	**5,917**	**10,274**

Note 35.3 Clinical negligence liabilities (Group and Trust)

At 31 March 2023, £618,427k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of University Hospitals Sussex NHS Foundation Trust (31 March 2022: £817,288k).

Note 36 Contingent assets and liabilities

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Value of contingent liabilities				
NHS Resolution legal claims	(100)	(102)	(100)	(102)
Gross value of contingent liabilities	**(100)**	**(102)**	**(100)**	**(102)**
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	**(100)**	**(102)**	**(100)**	**(102)**
Net value of contingent assets	**-**	**-**	**-**	**-**

The contingent liability for Legal Claims represents the Liability to Third Party Schemes (LTPS) and Public & Employers Liability Scheme (PES) notified to the Trust by NHS Resolution. The timings of the cash flows are based on estimated dates for the finalisation of the claims.

Note 37 Contractual capital commitments

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Property, plant and equipment	15,014	36,310	15,014	36,310
Intangible assets	24	4,148	24	4,148
Total	**15,038**	**40,458**	**15,038**	**40,458**

Note 38 Other financial commitments

The group and trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
not later than 1 year	393	393	393	393
after 1 year and not later than 5 years	1,178	1,571	1,178	1,571
Total	**1,571**	**1,964**	**1,571**	**1,964**

Note 39 Defined benefit pension schemes

Neither the group nor the trust has any defined benefit pension schemes.

Note 40 On-SoFP PFI arrangements (Group and Trust)

PFI scheme details

Contract start date	10-Jun-04
Contract end date	08-Jun-34
Length of project	30 years

The PFI Scheme relates to the Royal Alexandra Children's Hospital. The trust is entitled to provide healthcare services within the facility for the period of the PFI arrangement. The contract contains payment mechanisms providing for deductions in the unitary payment made by the Trust for poor performance and unavailability. The unitary charge for the scheme is subject to an annual uplift for future price increases. The operator Kajima is responsible for providing a managed maintenance service for the length of the contract, after such time these responsibilities revert to the Trust. During the reported period there were no changes to the contractual arrangements of the scheme.

Note 40.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Gross PFI, LIFT or other service concession liabilities	**30,296**	**33,363**	**30,296**	**33,363**
Of which liabilities are due				
- not later than one year;	3,568	3,067	3,568	3,067
- later than one year and not later than five years;	9,738	10,782	9,738	10,782
- later than five years.	16,990	19,514	16,990	19,514
Finance charges allocated to future periods	(7,792)	(9,092)	(7,792)	(9,092)
Net PFI, LIFT or other service concession arrangement obligation	**22,504**	**24,271**	**22,504**	**24,271**
- not later than one year;	2,373	1,767	2,373	1,767
- later than one year and not later than five years;	5,899	6,592	5,899	6,592
- later than five years.	14,232	15,912	14,232	15,912
	22,504	**24,271**	**22,504**	**24,271**

Note 40.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**82,297**	**88,591**	**82,297**	**88,591**
Of which payments are due:				
- not later than one year;	6,451	6,294	6,451	6,294
- later than one year and not later than five years;	27,459	26,789	27,459	26,789
- later than five years.	48,387	55,508	48,387	55,508

Note 40.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group		Trust	
	2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
Unitary payment payable to service concession operator	**6,673**	**6,373**	**6,673**	**6,373**
Consisting of:				
- Interest charge	1,300	1,400	1,300	1,400
- Repayment of balance sheet obligation	1,767	1,856	1,767	1,856
- Service element and other charges to operating expenditure	876	1,052	876	1,052
- Capital lifecycle maintenance	896	546	896	546
- Contingent rent	1,834	1,519	1,834	1,519
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	49	-	49
Total amount paid to service concession operator	**6,673**	**6,422**	**6,673**	**6,422**

Note 41 Off-SoFP PFI, LIFT and other service concession arrangements

Neither the group not trust has any off-SoFP PFI, LIFT and other service concession arrangements.

Note 42 Financial instruments

Note 42.1 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 trust has with commissioners and the way those commissioners are financed, the trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The trust has some powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the trust in undertaking its activities.

The trust's treasury management operations are carried out by the finance department, within parameters defined formally within the trust's standing financial instructions and policies agreed by the board of directors. The trust's 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. 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.

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 31st March 2022 are in receivables from customers, as disclosed in the trade and other receivables note to the accounts.

Liquidity risk
The trust’s operating costs are incurred under contracts with Integrated Care Boards (ICBs) [formally Clinical Commissioning Groups (CCGs)], which are financed from resources voted annually by Parliament. The trust funds its capital expenditure from a combination of its own self-generated funds and capital investment loans with reference to NHS Improvement's Continuity of Services Risk Rating. The trust is not, therefore, exposed to significant liquidity risks.

Note 42.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	58,747	-	-	**58,747**
Cash and cash equivalents	58,867	-	-	**58,867**
Consolidated NHS Charitable fund financial assets	1,657	16,154	-	**17,811**
Total at 31 March 2023	**119,271**	**16,154**	**-**	**135,425**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	28,221	-	-	**28,221**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	113,313	-	-	**113,313**
Consolidated NHS Charitable fund financial assets	1,272	-	16,818	**18,090**
Total at 31 March 2022	**142,806**	**-**	**16,818**	**159,624**

Note 42.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	59,654	-	-	**59,654**
Other investments / financial assets	-	-	1,101	**1,101**
Cash and cash equivalents	56,956	-	-	**56,956**
Total at 31 March 2023	**116,610**	**-**	**1,101**	**117,711**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	29,334	-	-	**29,334**
Other investments / financial assets	-	-	1,101	**1,101**
Cash and cash equivalents	111,189	-	-	**111,189**
Total at 31 March 2022	**140,523**	**-**	**1,101**	**141,624**

Note 42.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	45,165	**45,165**
Obligations under leases	71,935	**71,935**
Obligations under PFI, LIFT and other service concessions	22,504	**22,504**
Trade and other payables excluding non financial liabilities	161,762	**161,762**
Total at 31 March 2023	**301,366**	**301,366**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	49,922	**49,922**
Obligations under finance leases	2,071	**2,071**
Obligations under PFI, LIFT and other service concessions	24,271	**24,271**
Trade and other payables excluding non financial liabilities	138,965	**138,965**
Total at 31 March 2022	**215,229**	**215,229**

Note 42.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	45,165	**45,165**
Obligations under leases	71,935	**71,935**
Obligations under PFI, LIFT and other service concessions	22,504	**22,504**
Trade and other payables excluding non financial liabilities	162,778	**162,778**
Total at 31 March 2023	**302,382**	**302,382**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	49,922	**49,922**
Obligations under finance leases	2,071	**2,071**
Obligations under PFI, LIFT and other service concessions	24,271	**24,271**
Trade and other payables excluding non financial liabilities	138,519	**138,519**
Total at 31 March 2022	**214,783**	**214,783**

Note 42.6 Fair values of financial assets and liabilities

The fair value for obligations under PFI contracts as at 31 March 2023 is £33,391k (31 March 2022 £33,363k).

Note 42.7 Maturity of financial liabilities

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

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
In one year or less	176,479	147,427	177,495	146,981
In more than one year but not more than five years	47,201	29,501	47,201	29,501
In more than five years	100,247	64,676	100,247	64,676
Total	**323,927**	**241,604**	**324,943**	**241,158**

Note 43 Losses and special payments

	2022/23		2021/22	
Group and Trust	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Bad debts and claims abandoned	358	160	15	100
Stores losses and damage to property	4	792	4	354
Total losses	**362**	**952**	**19**	**454**
Special payments				
Compensation under court order or legally binding arbitration award	33	132	1	1
Ex-gratia payments	88	45	99	133
Special severance payments	1	31	-	-
Total special payments	**122**	**208**	**100**	**134**
Total losses and special payments	**484**	**1,160**	**119**	**588**
Compensation payments received				

Note 44 Gifts

As at 31 March 2023 no gifts were made (31 March 2022, £Nil).

Note 45 Related parties

Group
There were no related party transactions with individuals reported during the year.

The Department of Health and Social Care is regarded as the parent Department of the trust and is therefore a related party. During the year University Hospitals Sussex NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

For example:

NHS England
Eastbourne Hailsham & Seaford CCG (demised 01/07/2022)
Health Education England
High Weald Lewes & Haven CCG (demised 01/07/2022)
NHS Brighton & Hove City CCG (demised 01/07/2022)
Horsham & Mid Sussex CCG (demised 01/07/2022)
NHS West Sussex CCG (demised 01/07/2022)
East Sussex Healthcare NHS Trust
Crawley CCG (demised 01/07/2022)
NHS Hampshire, Southampton and Isle of Wight CCG (demised 01/07/2022)
NHS Sussex ICB
Sussex Community NHS Foundation Trust
Sussex Partnership NHS Foundation Trust
Portsmouth Hospitals University NHS Trust
NHS Litigation Authority

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 Brighton and Hove City Council, East Sussex County Council and West Sussex Council in respect of clinical services.

The Group comprises the Trust, Pharm@Sea Limited, BSUH Charity and Western Sussex Hospitals Charity.
The Trust has share capital of £1,101k with Pharm@Sea Limited.
Transactions with related parties are on a normal commercial basis and outlined below.

	Income 2022/23 £000	Expenditure 2022/23 £000
Pharm@Sea	175	23,369
BSUH Charity	1,435	-
Western Sussex Hospitals Charities and Other Related Charities	601	-
Total	**2,211**	**23,369**

Balances at year end	Receivables 2022/23 £000	Payables 2022/23 £000
Pharm@Sea	1,013	2,302
BSUH Charity	1,567	-
Western Sussex Hospitals Charities and Other Related Charities	238	-
Total	**2,818**	**2,302**

Note 46 Transfers by absorption

The were no transfers by absorption during 2022/23. In 2021/22 The net assets of the trust were transferred to Western Sussex Hospitals NHS Foundation Trust (which was renamed on 1 April 2021 to University Sussex Hospitals NHS Foundation Trust on 1 April 2021 by means of a Deed of Transfer, as approved by the Secretary of State for Health.

All of the services previously provided by Brighton and Sussex University Hospitals NHS Trust continue to be provided as part of the acquisition.

Brighton and Sussex University Hospitals NHS Trust Financial Statements for 2020/21

Consolidated Statement of Comprehensive Income	BSUH & Pharm@Sea 2020/21	Group 2020/21
Operating income from patient care activities	609,527	609,527
Other operating income	121,779	122,141
Operating expenses	(728,557)	(729,696)
Operating surplus from continuing operations	**2,749**	**1,972**
Finance income	6	287
Finance expenses	(4,036)	(4,036)
PDC dividends payable	(5,993)	(5,993)
Net finance costs	**(10,023)**	**(9,742)**
Other (losses)	(509)	1,945
Corporation tax expense	(196)	(196)
(Deficit) for the year from continuing operations	**(7,979)**	**(6,021)**
(Deficit) for the year	**(7,979)**	**(6,021)**

Statement of Financial Position	BSUH & Pharm@Sea 31 March 2021	Group 31 March 2021
Non-current assets		
Intangible assets	6,372	6,372
Property, plant and equipment	655,164	655,164
Other investments / financial assets	-	14,062
Receivables	5,490	5,490
Total non-current assets	**667,026**	**681,088**
Current assets		
Inventories	9,861	9,861
Receivables	18,002	18,113
Cash and cash equivalents	48,512	48,535
Total current assets	**76,375**	**76,509**
Current liabilities		
Trade and other payables	(76,760)	(77,399)
Borrowings	(4,981)	(4,981)
Provisions	(1,199)	(1,199)
Other liabilities	(1,599)	(1,599)
Total current liabilities	**(84,539)**	**(85,178)**
Total assets less current liabilities	**658,862**	**672,419**
Non-current liabilities		
Borrowings	(61,039)	(61,039)
Provisions	(4,288)	(4,288)
Total non-current liabilities	**(65,327)**	**(65,327)**
Total assets employed	**593,535**	**607,092**
Financed by		
Public dividend capital	882,837	882,837
Revaluation reserve	45,787	45,787
Income and expenditure reserve	(335,089)	(335,089)
Charitable fund reserves	-	13,557
Total taxpayers' equity	**593,535**	**607,092**

Analysis of balances transferred to successor organisation (£000)			
Amounts transferred from:		**Amounts transferred to:**	
Brighton and Sussex University Hospitals Trust & Subsidiary		**University Hospitals Sussex NHS Foundation Trust (formerly Western Sussex Hospitals NHS Foundation Trust)**	
Non-Current Assets	667,026	Non-Current Assets	667,026
Current Assets	76,375	Current Assets	76,375
Current Liabilities	(84,539)	Current Liabilities	(84,539)
Non-Current Liabilities	(65,327)	Non-Current Liabilities	(65,327)
Net Assets	**593,535**	**Net Assets**	**593,535**
Public dividend capital	882,837	Public dividend capital	882,837
Revaluation reserve	45,787	Revaluation reserve	45,787
Income and expenditure reserve	(335,089)	Income and expenditure reserve	(335,089)
Taxpayers' equity	**593,535**	**Taxpayers' equity**	**593,535**
Net Assets from BSUH Charity	**13,557**	**Net Assets from BSUH Charity**	**13,557**
Total	**607,092**	**Total**	**607,092**

Note 47 Prior period adjustments (Group and Trust)

There were no prior period adjustments.

Note 48 Events after the reporting date (Group and Trust)

As at 1 April 2023, Brighton and Sussex University Hospitals NHS Charitable Fund and Western Sussex Hospitals Charity, which operates as Love Your Hospital Charity merged to form My University Hospitals Sussex Charity.

Note 49 Reconciliation of accounting performance to adjusted performance (control total basis)

	Group	
	2022/23	2021/22
Adjusted financial performance (control total basis):	**£000**	**£000**
Surplus / (deficit) for the period	(60,318)	585,835
Remove impact of consolidating NHS charitable fund	950	(14,021)
Remove net impairments not scoring to the Departmental expenditure limit	48,449	23,359
Remove (gains) on transfers by absorption	-	(593,535)
Remove I&E impact of capital grants and donations	525	(1,516)
Remove net impact of inventories received from DHSC group bodies for COVID response	-	340
Less gains on disposal of assets	-	(339)
Adjusted financial performance surplus / (deficit)	**(10,394)**	**123**

Independent auditor's report to the Council of Governors of University Hospitals Sussex NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of University Hosipitals Sussex NHS Foundation Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Comprehensive Income, the Statements of Financial Position, the Consolidated Statement of Changes in Equity, the Statement of Changes in Equity, the Statements 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 7 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 group and of the Trust as at 31 March 2023 and of the group's expenditure and income and the Trust's 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 group and 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 Accounting Officer's 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 group's and 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 group or the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2022-23 that the group and 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 group and 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 group and Trust and the group and Trust's disclosures over the going concern period.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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 Accounting Officer 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 and Accounts, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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 disclosure requirements set out in the NHS foundation trust annual reporting manual 2022/23 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement 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 Report and the Staff Report to be audited have been properly prepared in accordance with NHS foundation trust annual reporting 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 Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 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 incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2022/23, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the group's and 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 the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of the 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 group and 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).
- We enquired of management and the Audit Committee, concerning the group and 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 group and 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, fraudulent expenditure recognition and significant accounting estimates. We determined that the principal risks were in relation to:
    - improper revenue recognition
    - management override of controls
    - revaluation of land and buildings
    - implementation of new leasing standard IFRS 16
- Our audit procedures involved:
    - Testing of income and year end receivables to invoices and cash payment or other supporting evidence;

  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a focus on journals meeting a range of criteria defined as part of our risk assessment;
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations**;**
  - testing of arrangements that contain the right to use an asset to ensure that they had been treated in line with the new leasing standard;
  - 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 communicated with management and the Audit Committee 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 land and building valuations.
- Our assessment of the appropriateness of the collective competence and capabilities of the group and Trust's 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 group and Trust operates
  - understanding of the legal and regulatory requirements specific to the group and 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 group and 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, financial statement consolidation processes, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group and Trust's control environment, including the policies and procedures implemented by the group and 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.

We have nothing to report in respect of the above matter except on 21 June 2023 we identified a significant weaknesses in the Trust's arrangements for governance. This was in relation to the Care Quality Commission raising significant weaknesses in the the Trust's risk incident and management processes, leadership style and organisational culture. We recommend that the Trust ensures that proposed changes to the risk management and review processes, quality governance are embedded from ward to Board and that service quality risks are excelated to relevant Committees and to the Board.

Responsibilities of the Accounting Officer

The Chief Executive, as Accounting 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 paragraph 1 of Schedule 10 of the National Health Service Act 2006 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 – Certificate

We certify that we have completed the audit of University Hospitals Sussex NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Darren Wells

Darren Wells, Key Audit Partner

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

London

28 June 2023

NHS
University Hospitals Sussex
NHS Foundation Trust