NHS
Essex Partnership University
NHS Foundation Trust

ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

ANNUAL REPORT & ACCOUNTS 2023-24

EPUT

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ANNUAL REPORT & ACCOUNTS

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NHS

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FOREWORD

From the Chair and Chief Executive

The 2023/24 financial year has been another year of challenges, both locally and nationally, but also one where we have started to see the benefit of the work we are doing to transform our services, involve our patients and communities more in our services and invest in our teams and environments. We have made significant progress but we also know that there is more to do to improve the care that we provide for those who rely on us.

Supporting and developing our people

Throughout the year, we continued to invest in our teams, increasing the number of permanent colleagues, particularly in our inpatient units where vacancy rates have fallen from an all-time high of 40 per cent in 2020 to 10 per cent. We have an ambition for no inpatient unit vacancies at all across the Trust by the end of 2024.

We welcomed over 1,700 new colleagues into the Trust in 2023, including over 220 from overseas. A combination of international and local recruitment, as well as offering a job to every student who completes a placement with us, has helped us reduce our turnover rate to around nine per cent, the lowest it has been since before the COVID-19 pandemic. Our overall vacancy rate at the end of March 2024 was just under nine per cent.

We have worked with partners, including Harlow College, Anglia Ruskin University and the University of Essex, to host system-wide recruitment events to encourage school-leavers and college students to consider careers in health and care in Essex. Working with Essex Cares, we also held a successful recruitment event for neurodiverse people, enabling them to use their skills and knowledge to help care for others. Developing a just and supportive culture has been key to the work to improve our staff retention rates. It is very important that colleagues feel able to raise issues and concerns and that we learn from any instances where things go wrong. We continued to strengthen our commitment to listening and learning, bringing in a new Principal Freedom to Speak Up Guardian to help support colleagues to raise issues of concern.

Continuing to involve our patients, their families, carers, and our communities in developing and improving our services

Involving our patients, their families and carers and people who use our services is a vital part of making sure our work reflects what matters to them. This year, we have continued to expand our team of people with lived experience of our services. Around 250 people with direct or family experience of using EPUT services are working with us to support strategy developments, change programmes, service improvements and funding bids. With our peer support workers, volunteers and patient safety partners, we now have over 600 people working with us to support this aim.

In November, our Board agreed our new Working in Partnership with People and Communities Strategy, which aims to embed lived experience practice and co-production and co-design into all our work and future developments. Particular highlights include a new dedicated support network for families and carers of people with an eating disorder, the design of our new all-age autism outreach service and the Essex Mental Health Family Group Conferencing Service, which supports adults, aged 18 to 65 who use secondary mental health services to build trusted support networks.

Investing in digital systems to support care and care delivery

Technology plays an increasingly important role in how we provide effective care and keep our patients and staff safe. This year, we continued to roll out the Oxevision remote monitoring system, CCTV and body worn cameras across all our mental health inpatient units.

We also passed a very significant milestone in our work to develop a joint new electronic patient record across the whole of EPUT and in primary care and acute hospital care across mid and south Essex. Working with our system partners and colleagues across all these organisations, we have now chosen a preferred supplier for the new record system, which we expect to be fully deployed during 2026. It is a unique approach, and will significantly improve continuity of care for thousands of people using health services across a wide area of Essex.

Continuing to innovate and develop our services

We continued to innovate and develop new services and new ways to support people who need our care. We expanded our By Your Side maternal mental health service to cover more areas of Essex. Our virtual community wards – sometimes called hospital at home - in south Essex had some of the highest utilisation rates in the country. Our rough sleeper teams across the county helped more people who are homeless or at risk of becoming homeless to access physical and mental health care. We widened our range of therapy provision in our mental health and dementia services, with new music therapy and art therapy groups.

Improving care and support for people who are experiencing a mental health crisis

When people experience a mental health crisis, the care and support they receive at that moment is critical to their safety and long-term wellbeing, as well as the safety of other people. Working with colleagues at Mid and South Essex NHS Foundation Trust, we opened our new Mental Health Urgent Care Department at Basildon Hospital in March 2023. This enables people experiencing a mental health crisis to be cared for in a dedicated, calm and therapeutic environment, which is completely separate from the hospital's main A&E department.

With the East of England Ambulance Service, we launched a new mental health joint response vehicle, staffed by a paramedic and a mental health practitioner to support people experiencing a mental health crisis to remain at home or within the community.

Working in partnership and strengthening relationships

We cannot do what we do without the support and cooperation of our colleagues across the health and care systems in which we operate. Our new electronic patient record programme is just one example of how joint working benefits our local communities.

During the year, we further strengthened our relationships with the three Essex integrated care systems (for which 2023/24 was their first full year of operation) and we took up the role of lead provider in the Mid and South Essex Community Collaborative.

We worked with colleagues at The Princess Alexandra Hospital NHS Trust and Southend University Hospital to develop integrated transfer of care hubs to support patients in west and south east Essex to leave an acute hospital bed but continue to receive ongoing support at home or in the community.

Our community nursing service in south east Essex expanded the support we provide to housebound patients in collaboration with the East of England Ambulance Service. We now have paramedics working in our coordination centre at Rochford Hospital to help review patients who may be being considered for transfer to an acute hospital bed but who could instead remain at home with appropriate support.

We also continued to work more closely with our local MPs and elected members of Essex councils to understand what matters to them and to ensure we provide information that supports their work with local communities.

The Lampard Inquiry

In June 2023, the Government granted statutory status to the inquiry examining deaths in Essex mental health services, which originally launched in 2021. In September 2023, Baroness Kate Lampard was appointed as Chair of the Inquiry, which is now known as the Lampard Inquiry. Baroness Lampard

consulted on a revised set of terms of reference, which were announced by the Department of Health and Social Care in April 2024.

We continue to reiterate our support for the Inquiry to deliver recommendations to improve mental health services locally and nationally. We will do all we can to enable it to deliver the answers that patients, families and carers want and deserve.

The year ahead - from Safety First, Safety Always to our Quality of Care Framework

Earlier this year, we came to the end of our three-year Safety First, Safety Always strategy, which focused on the safety and therapeutic value of our care environments, especially our mental health inpatient wards, and creating a culture of safety and learning. The strategy's seven themes - leadership, culture, continuous learning, wellbeing, innovation, enhancing environments and governance and information - have been at the heart of the changes we are making. As the strategy ends, it leaves us with a legacy of significant improvement, from improved care environments through to stable and sustainable staffing levels and a greater range of therapeutic care for patients across our services.

As we move into the 2024/25 year, we take this work forward with our new Quality of Care Framework, which brings a holistic focus on safety, effectiveness and experience of care, co-created with people who use our services alongside families, carers and our own teams. It reflects the things that people using our services have told us matters to them, along with the NHS's national quality of care standards. We are particularly excited about our new Time to Care clinical model, a new approach to staffing on our mental health inpatient wards, which includes a much broader range of staff roles and skills and will bring more therapeutic benefit to every mental health inpatient admission.

As we look forward to another year of transformation, working with colleagues and partners and importantly those who use our services, we would like to thank everyone who contributes to the work of the Trust and makes such a difference to the 100,000 people who are in our care at any one time.

Professor Sheila Salmon
Chair
27 June 2024

Paul Scott
Chief Executive
27 June 2024

PERFORMANCE REPORT

This overview provides information on the Trust, our history and purpose. Information is included about our services, where we provide them and the population we serve, and we highlight our performance, achievements and key risks for the past year.

Performance Overview from Paul Scott, Chief Executive

As CEO my reflection on EPUT's performance over 2023/24 is one where our people have shown resilience and complete dedication to supporting the people and communities that rely on us, in challenging times. I am proud of how we have adapted our services to reflect changing circumstances and to continue providing the best possible care, all with a relentless focus on patient safety, learning lessons and driving forward to continuously improve.

About EPUT

Essex Partnership University NHS Foundation Trust (EPUT) was formed on 01 April 2017 following the merger of South Essex Partnership University NHS Trust and North Essex Partnership University NHS Foundation Trust.

EPUT provides community health, mental health, learning disability and social care services to over 3.2 million people across the East of England in Bedfordshire, Luton, Essex, Southend, Thurrock and Suffolk. We employ more than 7,000 staff who work across around 200 sites. At any one time, we care for more than 100,000 people.

The Trust's turnover has increased by £19.9m compared to 2022/23 from £523.1m to £543m. The main increases related to inflationary uplifts including staff pay awards, non-pay inflation, provisions of new services and additional pension contributions.

Our Services

We provide a wide range of community health, mental health, learning disability and social care services. Our approach is underpinned by our aim to provide individualised care that supported people to live independently and within their own homes for as long as possible.

Community health services: Our diverse range of community health services provide support and treatment to both adults and children. We deliver this care in community hospitals, health centres, GP surgeries, and in people's homes.

Mental health services: We provide a wide range of treatment and support to adults and older people and children and adolescents experiencing mental health illness within primary care, community and in secure and specialised inpatient care settings. We deliver a range of tertiary services, including forensic services and specialist health outreach services to marginalised communities.

Learning disability services: We provide inpatient learning disability services, working in partnership with Hertfordshire Partnership University NHS Foundation Trust. As part of our commitment to driving up quality in services for people with learning disabilities, we are proud to say we have signed up to the Driving Up Quality Code.

Social care: We provide individualised social care to people with a range of needs, including people with learning disabilities or mental illness, supporting people to live independently. The local authorities have Section 75 Partnership Agreements in place with us which mean some statutory social care responsibilities are delegated to EPUT and some functions are delivered in partnership. Each year we agree performance targets with them for each nationally–defined social care indicator.

We deliver our services through six care units which are responsible for place-based and trust wide services and each have their own multi-disciplinary team.

- Community Mid and South Essex
- Community North East Essex
- Community West Essex
- Psychological Services
- Specialist Services
- Inpatient and Urgent and Emergency Care Mental Health

In 2023/24, we:

- Received 609,172 referrals into our services
- Delivered 3,029,529 face to face contacts
- Carried out 37,781 digital face to face contacts
- Held 351,983 telephone contacts
- Cared for 668,757 patients / service users,
- of whom 4,683 were inpatients

Our Partnerships

EPUT is part of four Integrated Care Systems (ICSs):

- Hertfordshire and West Essex
- Mid and South Essex
- Suffolk and North East Essex
- Bedfordshire, Luton, and Milton Keynes

At a more local level, we are actively involved in place-based Alliances in:

- North East Essex
- West Essex
- Mid Essex
- Basildon and Brentwood
- Thurrock
- South East Essex (including Southend)

We work in partnership with Essex County Council, Thurrock Borough Council, Southend-on-Sea City Council and local district and borough councils.

We also work closely with other providers of NHS services including GP practices and primary care networks, acute trusts, mental health and community trusts, voluntary, community and social enterprise organisations and independent sector providers.

We have established specific collaborative arrangements with other providers in NHS services in:

- Mid and South Essex – the Community Collaborative brings together providers delivering community health services (managed within a contractual joint venture).
- North East Essex – the Community Collaborative brings together providers delivering community health services (and is hosted by East Suffolk and North Essex NHS Foundation Trust).
- East of England – the Regional Specialist Mental Health Commissioning Collaborative brings together mental health providers across the region. It focuses on specialist services, such as children and young people's inpatient services, and forensic services, which are led by EPUT within the East of England provider collaborative.

We provide education and training for students from Anglia Ruskin University and the University of Essex as well as training placements for junior doctors. We are building our academic partnerships to support innovation and research that will benefit our services.

EPUT's success is increasingly judged against our contribution to the objectives of the integrated care systems in which we operate, in addition to our existing duties to deliver safe, effective care and effective use of resources.

EPUT is committed to engaging consistently in shared planning and decision making; to taking collective responsibility with partners for delivery of high quality and sustainable services; and taking responsibility for delivery of agreed system improvements and decisions.

EPUT executives are active partners within our local integrated care systems, with several executives sitting on local integrated care boards. Our business model enables our leadership teams to actively participate with partners in the systems and place-based partnerships (Alliances).

As detailed above we have established specific collaborative arrangements with other providers to develop shared plans and priorities.

The Mid and South Essex System has operated a System Investment Group, chaired by EPUT since October 2021. This forum has been used to discuss and recommend major investment cases to the System Finance Investment Committee (also the forum at which capital allocations and plans are reviewed and agreed). EPUT delivers services across four integrated care systems and shares information about the capital plan and initiatives through finance and estates networks.

A number of business cases are in progress or already approved for 2024/25 for utilisation of MSE system capital resources. This includes Electronic Patient Record that is a system-wide project that is going through NHS England governance.

Our Vision, Values & Purpose

People are at the heart of everything we do, and our strategy is focused on providing high quality, safe, individualised care and supporting people to live well throughout their lives. Our approach is underpinned by partnership working, championing lived experience and co-production, continuous development, and a caring, learning, and empowering culture.

The Trust's vision, values, purpose, and strategic objectives create the framework whereby through engagement with our staff, partner organisations and representatives of the communities that we serve, we have set out a clear and exciting strategy for our services aligned to national and local strategies.

Recognising that we are part of a complex system of health, care and wellbeing services and that we have a key role to play in making sure that service users can receive joined up care.
We carried out extensive engagement with our service users, and their carers and families, as well as our staff and partners, to look at what we need to do to achieve those goals over the coming years.

Our Strategic Plan for 2023 to 2028 is the result of that work, and sets out our priorities and commitments, and how we will work together to deliver our vision.

- We will deliver safe, high quality, integrated care services
- We will enable each other to be the best we can be
- We will work together with our partners to make our services better
- We will support our communities to thrive

For more information, visit our website to see our strategic plan, along with a short video.
Strategic Plan for 2023 to 2028

Our Performance

The Trust delivers a wide range of services commissioned by different Integrated Care Systems and specialist commissioners. A number of mandated, contractual and locally identified key performance indicators (KPIs) are used to monitor the performance and quality of services.

The key ways in which the Trust measures performance include:

- NHS Oversight Framework
- Performance against contract targets
- Performance against national targets
- Performance in national staff and patient surveys
- Quality measure under the domains of patient safety, clinical effectiveness and patient experience
- Outcomes of quality improvement programmes
- Key financial and workforce targets
- Service user and carer experience
- Outcomes of Care Quality Commission inspections

The Trust has an established system of measurement to track progress in delivery of strategy, and priorities for improvement. Progress in these areas is monitored by the receipt and scrutiny of reports at operational delivery units, executive, committee and Trust Board level in the form of quality and performance scorecards.

In our Quality Account for 2023/24, we provide further details of our performance against a range of quality related performance metrics and the final year of our patient safety strategy.

Key Issues, Opportunities and Risks

As part of good governance, EPUT continues to identify issues, opportunities and risks that could affect delivering our objectives to achieve future success and sustainability.

Key Issues

- The population we serve is growing.
- It is difficult to recruit staff across a range of key disciplines. In some teams, the mix of skills and staff roles could be developed further.
- Like many other trusts, we are in underlying financial deficit, despite consistently delivering financial results. The Trust continues to face increasing financial challenges.
- National inflationary pressures and cost of living remains high, including fuel, energy and utilities
- Delivery of recruitment plans and the full identification and recurrent delivery of efficiency schemes.
- Financial constraints within the Mid and South Essex Integrated Care System.
- National standards for clinical service quality continue to rise and maintaining compliance is challenging in some areas. e.g. compliance with CQC quality statements.

Opportunities

- We operate in systems that continue to develop strong partnerships with other health and care providers.
- Efficiency opportunities both internally to the Trust and those from greater collaboration with system partners (such as: out of area placement reduction; PFI unitary charge reviews; commercial innovations and potential site rationalisation).
- We are partners in contracts for community services in both Mid & South Essex and North Essex. Provider collaborative arrangements with maturity continuously developing.
- We are partners in the specialist mental health collaborative.
- New ways of working with Integrated Care Boards.
- New ways of working with our lived experience ambassadors and co-production with our service users, their families and carers.

Risks

The Trust captures its principle risks in its Strategic Risk Register (SRR) and high level operational risks within its Corporate Risk Register (CRR).The causes of the risks and mitigating actions are described in more detail in the annual governance statement. In brief, the principle risks to the Trust's strategic objectives are:

- SR1: If we do not invest in safety or effectively learn lessons from the past then we may not meet our safety ambitions resulting in a possibility of experiencing avoidable harm, loss of confidence and regulatory requirements.

- SR2: If we do not adequately address and manage staff supply and demand then we may not have the right staff, with the right competencies, in the right place at the right time to deliver services, resulting in potential failure to provide optimal patient care / treatment and the resultant impact on quality of care (safety, effectiveness and experience).

- SR3: If EPUT does not adapt its infrastructure to support service delivery then it may not have the right estate and facilities to deliver safe, high quality care resulting in not attaining our safety, quality and compliance ambitions.

- SR4: If we do not effectively address demands, then our resources may be overstretched resulting in an inability to deliver high quality safe care, transform, innovate and meet our partnership ambitions.

- SR5: If EPUT is not open and transparent, with the correct governance arrangements in place then it will not serve the Lampard Inquiry effectively or embed learning from past failings resulting in undermining our safety ambitions.

- SR6: If we experience a cyber-attack then we may encounter system failures and downtime resulting in a failure to achieve our safety ambitions, compliance, and consequential financial and reputational damage.

- SR7: If EPUT does not have sufficient capital resource, e.g. digital and EPR, then we will be unable to undertake essential works or capital dependent transformation programmes, resulting in non-achievement of some of our strategic and safety ambitions.

- SR8: If EPUT (as part of MSE ICS) does not effectively and efficiently manage its use of resources, then it may not meet its financial control total, resulting in potential failure to sustain and improve services.

- SR9: If we do not have the required capability and expert knowledge to deliver the digital and data strategy, then the Trust may fail to achieve strategic ambition.

The Trust's high-level operational risks are:

- CRR11: Suicide prevention – a quality improvement group is in place driving safety elements, including personal safety plans, 48-hour follow up post discharge from an inpatient ward, implementation of Safer Wards, and carer and family involvement review.

- CRR45: Mandatory training – a recovery programme was in place post Covid-19 with additional resources provided to support return to annual cycle of training. End of year compliance with TASI training being 91% and annual training programme now reinstated and subsequently, the risk is being reassessed.

- CRR77: Medical devices – the Trust has approved a medical devices replacement plan and improved the systems and processes for the management of medical devices across the services. Subsequently the risk is being reassessed.

- CRR81: Ligature reduction – a significant programme of work has been undertaken and continues to be overseen by a Ligature Risk Reduction Group (LRRG). In recognition of the work to decrease fixed-point ligatures and evidence from incidents, the risk was reduced to 12 (from 16). The LRRG is overseeing the scoping of a new risk entry to reflect the risk of alternative forms of self-harm.

- CRR92: Addressing inequalities – the Trust has implemented the EPUT staff behavioural framework. The Equality Diversity and Inclusion Framework has been updated to align with NHS EDI Improvement Plan. The Trust Board will be providing leadership to the six high impact actions.

- CRR93: Continuous learning – the Trust Patient Safety Incident Response Plan (PSIRP) 2023-25 has been published on our website. Further this the Quality and Safety Champion role has been established, with 84 people now registered.

- CRR94: Engagement and supportive observation – significant improvement work has been completed as part of our patient safety strategy. A thematic review of incidents is being undertaken to inform reassessment of risk score.

- CRR96: Loggists (the staff who capture decisions and management action during the course of a major incident) – the Trust Emergency Preparedness, Resilience and Response Manager has been trained as a trainer and has been delivering targeted training. With an increasing number of staff trained it is anticipated that this risk will be closed in Q1 2024/25.

- CRR98: Pharmacy Resource – significant progress has been made in year and we continue with the recruitment campaign. Current number of vacancies is 9.5WTE with a clear pipeline going forward. The risk was reduced in year to 16 (from 20).

- CRR99: Safeguarding referrals – context is the need to manage the increase in safeguarding referrals and their subsequence time resource. We continue to work with system partners and embedding improved systems of working (including change over to the local authority portal and having safeguarding forms within the patient record system).

Closed risks in year

- CRR34: Suicide prevention training – 95% of relevant staff have now completed the dedicated suicide prevention training.

- CRR95: Delivery of new vaccination programme – the programme was delivered. Our ability to provide a vaccination programme if required is now considered business as usual. We have retained a dedicated core team with the support of reservists and volunteers who can support if required.

Emergent Risks

- Ongoing changes arising from the introduction of Integrated Care Systems and statutory arrangements.
- Thematic risks arising from our use of the Patient Safety Incident Response Framework – with the identification of nine key learning priorities.
- Change in risk profile of ligature risks moving from reduced fixed ligature to other forms of self-harm.
- Capacity to service the Coroners Court both efficiently and effectively.

Going Concern Disclosure

These accounts have been prepared on a going concern basis, in accordance with the definition set out in section 4 of the DHSC Group Accounting Manual (GAM) which outlines the interpretation of IAS1 'Presentation of Financial Statements' as "the anticipated continuation of the provision of services in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the Trust's continued funding and provision of services. The interim financial plan for 2024/25 was approved by the Board of Directors on 17 April 2024 with the final submission, showing an adjusted deficit of £11.1m, made on 12 June 2024. The plan includes the continued provision of services by the Trust and did not identify any circumstances causing the Directors to doubt the continued provision of NHS services.

Against the adjusted financial performance measure, the Trust has reported a deficit of £21,474k (2022/23:£96k surplus).

Our going concern assessment is made up to the end of June 2025. The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period which show sufficient liquidity for the Trust to continue to operate during that period.

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

PERFORMANCE REPORT

ANALYSIS

Care Quality Commission (CQC) Registration

Essex Partnership University NHS Foundation Trust is registered with the Care Quality Commission and is registered to provide the following regulated activities:

- Family planning
- Accommodation for persons who require nursing or personal care
- Treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Surgical procedures
- Diagnostic and screening procedures

The Trust has the following conditions in relation to Clifton Lodge and Rawreth Court Nursing Homes:

- A requirement to have a registered manager for each site
- A maximum of 35 beds at each site

The Care Quality Commission took enforcement action against EPUT during 2023/24, with the issuing of two section 29A warning notices in October 2023 for Rawreth Court Nursing Home, for Regulation 17,(1)(2) Good Governance; and Regulation 12, (1)(2) Safe Care and Treatment.

The Trust took action in line with the CQC's stated timeline. The CQC published its report November 2023. The service remains rated as 'Requires Improvement'. The full reports for each inspection can be viewed on the CQC website (https://www.cqc.org.uk/provider/R1L/reports).

In July 2023, the CQC published their inspection report in relation to an inspection carried out in November 2022, of the following core services, as well as a well-led inspection carried out in January 2023:

- Acute wards for adults of working age and psychiatric intensive care units;
- Wards for older people with mental health problems;
- Wards for people with learning disability or autism;
- Mental health crisis service and mental health-based places of safety;
- Substance misuses services; and
- Community-based mental health services for adults of working age.

Areas for improvement:

Governance and Culture of Learning	• Ensuring breaches identified by the CQC are addressed in a timely and effective way • Ensuring robust governance systems, which enable identification of issues affecting quality of care • Embedding QI methodologies • Incident recording and reporting including racial abuse • Ensuring audit processes are effective • Ensuring new vision and values are understood by staff

Clinical Care	• Ensure robust observation and engagement processes including tackling sleeping on duty • Reduction in blanket restrictions • Ensure patients treated with dignity and respect with comprehensive care plans • Ensuring effective medicines management • Ensuring timely discharge planning from community mental health services • Ensuring accurate record keeping • Monitoring of meaningful activities on wards
Environment and Equipment	• Ensuring maintenance work is completed • Ensuring well maintained, clean and well-furnished including nurse call alarms • Ensuring medical equipment is managed in line with policy
Technology and Data	• Ensuring robust data quality and accuracy of data • Plan for implementation of a consistent patient record • Ensuring patients are aware of Oxevision and how this is used
Staffing	• Ensuring sufficient numbers of regular staff and reduce vacancy rates • Ensuring sufficient numbers of qualified psychology staff • Ensuring all staff remain up to date with training, supervision and appraisal • Ensuring staff have access to specialist Learning Disability and Autism training • Case load management

Areas of Good Practice:

- Changes had taken place to the board to increase accountability, strengthen clinical leadership and increase capacity.
- The trust leadership team had a comprehensive knowledge of current priorities and challenges.
- Leaders demonstrated commitment and drive to improving the care delivered in underperforming services.
- People appointed to positions of senior leadership had the appropriate skills, knowledge and experience to perform their roles.
- The patient experience team developed multiple ways for people to provide feedback on their experiences by working with local teams to understand what fitted their demographic.
- Since the launch of the strategy (Safety First Safety Always) the trust have invested £20 million in their inpatient services addressing environments and safety.
- In 2022 fixed ligature point incidents reduced by 32%.
- The trust recognised the need to continually improve the culture of the organisation.

Mental Health Inpatient and Crisis Services:

- The ward staff participated in the provider's restrictive interventions reduction programme.
- Staff had easy access to clinical information, and it was easy for them to maintain high quality clinical records – whether paper-based or electronic.
- Some managers investigated incidents and shared lessons learned with the whole team and the wider service. When things went wrong, staff apologised and gave patients honest information and suitable support.
- They developed individual care plans, which were reviewed regularly through multidisciplinary discussion and updated as needed.
- Managers made sure they had staff with the range of skills needed to provide high quality care.
- Staff from different disciplines worked together as a team to benefit patients
- Staff supported patients to make decisions on their care for themselves.
- They respected patients' privacy and dignity. They understood the individual needs of patients and supported patients to understand and manage their care, treatment or condition.
- Staff informed and involved families and carers appropriately.

- Staff collected analysed data about outcomes and performance and engaged actively in local and national quality improvement activities.
- Managers engaged actively other local health and social care providers to ensure that an integrated health and care system was commissioned and provided to meet the needs of the local population.
- Staff working for the mental health crisis teams kept detailed records of patients' care and treatment. Records were clear, up-to-date and easily available to all staff providing care.
- Staff working for the mental health crisis teams used recognised rating scales to assess and record severity and outcomes.
- Staff treated patients with compassion and kindness.
- The mental health crisis service was available 24-hours a day and was easy to access – including through a dedicated crisis telephone line.

Community Mental Health Services:

- All clinical premises where patients received care were safe, clean, well equipped, well furnished, well maintained and fit for purpose.
- Managers, staff, and patients told us they had enough staff, who knew the patients and received appropriate training to keep them safe from avoidable harm.
- Staff assessed and managed risks to patients and themselves well. They responded promptly to sudden deterioration in a patient's health.
- Staff understood how to protect patients from abuse and the service worked well with other agencies to do so.
- The service managed patient safety incidents well. Staff recognised incidents and reported them appropriately.
- Staff assessed the mental health needs of all patients. They worked with patients, families, and friends to develop individual care plans and updated them as needed.
- The teams included or had access to the full range of specialists required to meet the needs of patients under their care.
- Staff from different disciplines worked together as a team to benefit patients. They supported each other to make sure patients had no gaps in their care.
- Staff treated patients with compassion and kindness.
- Leaders we spoke with had the skills, knowledge, and experience to perform their roles. All leaders we spoke with said they felt supported to fulfil the role and responsibilities of their leadership role.

Learning Disability Inpatients and Substance Misuse:

- The ward was safe, clean well-equipped, well-furnished, well-maintained and fit for purpose.
- Staff discussed and managed patient risks. They achieved the right balance between maintaining safety and providing the least restrictive environment possible to support peoples' recovery.
- Staff understood how to protect people from abuse and the service worked well with other agencies to do so.
- They worked with people and with families and families and carers to develop individual care and support plans. Care plans reflected the assessed needs, were personalised and comprehensive.
- Staff supported people with their physical health and encouraged them to live healthier lives.
- The ward team included or had access to the full range of specialist roles required to meet the needs of people on the ward.
- Staff supported people to make decisions on their care for themselves.
- Staff treated people with compassion and kindness. They respected people's privacy and dignity. They understood people's individual needs of and supported them to understand and manage their care, treatment or condition.

The Trust is rated as 'Requires Improvement' with the CQC, with the rating for caring domain being Good (from the inspection in November 2022).

Overall trust quality rating	Requires Improvement
Are services safe?	Requires Improvement
Are services effective?	Requires Improvement
Are services caring?	Good
Are services responsive?	Requires Improvement
Are services well-led?	Requires Improvement

The full matrix of ratings for the services provided by EPUT are provided below (extract from the report published 12 July 2023).

Ratings for community health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Community health services for adults	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Community health services for children and young people	Good Jul 2018	Good Jul 2018	Outstanding Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Community health inpatient services	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Community end of life care	Good →← Oct 2019	Good ↑ Oct 2019	Outstanding ↑↑ Oct 2019	Outstanding ↑ Oct 2019	Good ↑ Oct 2019	Outstanding ↑↑ Oct 2019
Overall*	Good →← Oct 2019	Good →← Oct 2019	Outstanding ↑ Oct 2019	Good →← Oct 2019	Good →← Oct 2019	Good →← Oct 2019

Rating for mental health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Child and adolescent mental health wards	Requires improvement Jul 2022	Good Jul 2022	Good Jul 2022	Requires improvement Jul 2022	Requires improvement Jul 2022	Requires improvement Jul 2022
Wards for people with a learning disability or autism	Requires Improvement ↓ Jul 2023	Requires Improvement ↓ Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Requires Improvement ↓ Jul 2023	Requires Improvement ↓ Jul 2023
Acute wards for adults of working age and psychiatric intensive care units	Inadequate →← Jul 2023	Requires Improvement ↓ Jul 2023	Requires Improvement ↓ Jul 2023	Requires Improvement →← Jul 2023	Inadequate ↓ Jul 2023	Inadequate →← Jul 2023
Wards for older people with mental health problems	Requires Improvement →← Jul 2023	Requires Improvement ↓ Jul 2023	Good →← Jul 2023	Good ↑ Jul 2023	Good →← Jul 2023	Requires Improvement →← Jul 2023
Forensic inpatient or secure wards	Requires improvement Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Long stay or rehabilitation mental health wards for working age adults	Good Oct 2019	Requires improvement Oct 2019	Good Oct 2019	Good Oct 2019	Good Oct 2019	Good Oct 2019
Community-based mental health services of adults of working age	Requires Improvement ↓ Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Requires Improvement ↓ Jul 2023	Requires Improvement ↓ Jul 2023	Requires Improvement ↓ Jul 2023
Mental health crisis services and health-based places of safety	Requires Improvement →← Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Good →← Jul 2023
Substance misuse services	Good ↑ Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Good →← Jul 2023	Requires Improvement →← Jul 2023	Good ↑ Jul 2023
Community mental health services for people with a learning disability or autism	Good Jul 2018	Good Jul 2018	Outstanding Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Community-based mental health services for older people	Requires improvement Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018	Good Jul 2018
Overall	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement	Requires Improvement

We developed an improvement plan in response to all the inspection reports, addressing the areas for improvement, which is monitored on a weekly basis. We also have local system support as a critical friend to review our evidence of sustainability of action taken to address the concerns raised. (Evidence Assurance Group).

As at the end of 2023/24:

- There were 346 actions addressing 78 'must do/ should do' recommendations made by the CQC
- 78% of actions in response to the CQC recommendations completed
- 17% of actions ongoing and on track for delivery
- Of which, 4% having been through the Evidence Assurance Group and closed. Note: closure of actions has a lag phase from actions complete as we look to provide evidence of both achievement of actions and sustainability of impact.

A small number of actions (5%) have required a reassessment and subsequent extension to the initial timelines. Recovery timelines are agreed based on an understanding of the cause for delay. Oversight is through the Executive Operational Committee on a monthly basis and reported to the Board of Directors and system partners. Slippage in timelines have been where there are co-dependencies with external and or wider transformation programmes; e.g. new medicines management-training program which incorporates the CQC findings and other changes planned by the Trust and upgrades to our current electronic systems.

Further to this, the CQC undertook an unannounced core service inspection of our Forensic Services in March 2024. The Trust is awaiting the final report from the CQC, following this inspection.

Our Performance

Table 1: Summary of 2023/24 performance against key quality of care and outcomes metrics, operational metrics and leadership and workforce metrics that are set out in the NHS Oversight Framework (NHS OF)

Quality of Care and Outcomes	NHS Oversight Framework target	Year End (Mar) Position
CQC rating of Good or above	Good or above	Overall 'Requires Improvement'
Written complaint rate per 100 WTE	No target set	3.1
National Quarterly Pulse Survey	No target set	Above national averages on engagement scores, improvements in 3 of 9 questions, worsening scores in 3 questions, scores remained the same as previous quarter for 3 questions.
Never events	0	0
There will be 0 Safety Alerts breaches	0	0
CQC community mental health patient survey	No target set	Achieved 'about the same' in 27 questions in the 2023 survey. Four questions scored "somewhat worse than expected". Two scored "worse than expected".

I Want Great Care	No target set	94.1% positive score in March
People on Care Programme Approach (CPA) are followed up within 7 days of discharge from hospital	95%	93.4%
Clients in settled accommodation	No target set	75.1% (LA target 70%)
Clients in employment	No target set	38.8% (LA target 7%)

Operational metrics	NHS Oversight Framework target	Year End Position
Potential under-reporting of patient safety incidents	No target set	73.9 (MH benchmark >44.3)
Admissions to adult facilities of patients under 16 years old	No target set	0
People with a first episode of psychosis (FEP) begin treatment with a NICE- recommended care package within two weeks of referral	60%	95.8%
Data Quality Maturity Index (DQMI) - MHSDS dataset	95%	95.6%
Improving Access to Psychological Therapies (IAPT)/Talking therapies a) 50% of people completing treatment who move to recovery	50%	51.1%
Improving Access to Psychological Therapies (IAPT)/Talking therapies b) waiting time to begin treatment: i) 75% within 6 weeks ii) 95% within 18 weeks	75% 95%	6 weeks 100% 18 weeks 100%
Continued reduction in inappropriate Out of Area Bed days to 0	Reduction	719 out of area bed days
Leadership and Workforce		
Staff Sickness Rates	No target set	5.7% (MH benchmark of <6%)

Staff Turnover	No target set	9.1% (Local target based on national benchmarking <12%)
Proportion of Temporary Staff (Agency)	No target set	3.1%
Staff Survey	No target set	Results have improved in comparison with the 2021/22 NHS Staff Survey, with People Promises Scores: 2 Above average 6 Average 0 Worse than average

In addition to the performance against the NHS Oversight Framework detailed above, the following summarise performance innovation against a small number of other targets over 2023/24. Further information on these, and a range of other indicators, is contained within the Quality Account 2023/24.

Mid and South Essex Community Collaborative

The Mid and South Essex Community Collaborative (MSECC) is a partnership between EPUT, Provide Community and North East London NHS Foundation Trust. Between the Collaborative partners, we provide community physical health services across the mid and south Essex area. This way of working helps us to better support the overall health and care system and improve patient experience and outcomes by providing services in the right place for them.

The Collaborative has a strong focus on admission avoidance via a virtual hospital model, working closely with acute hospital and adult social care teams. The model includes virtual wards to support frail patients and patients with respiratory conditions, support by urgent community response teams. Virtual wards enable patients to get the care they need at home or in their usual place of residence safely and conveniently, rather than being in an acute hospital, and avoiding the need to be taken to an A&E department. Patients on a virtual ward are cared for by a multidisciplinary team who provide a range of tests and treatments. Technology such as wearable headsets and medical devices allows staff to easily check in and monitor each patient's recovery.

In February 2024, our virtual wards in mid and south Essex were among the top in England for utilisation, helping us make best use of available resources and enabling more people to be cared for at home.

During the year, the Collaborative made a significant contribution to improving patient care and outcomes and making better use of resources.
Highlights include:

- 31,000 contacts made by the urgent community response teams, a ten per cent increase on 2022/23
- 3,600 admissions to virtual wards, a 20 per cent increase on 2022/23
- 8,200 acute hospital admissions avoided

Mid and South Essex Ageing Well Stewardship

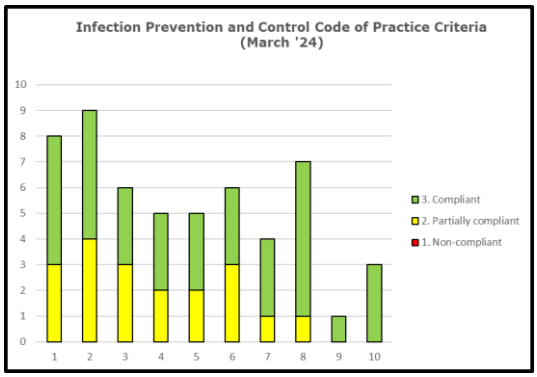
A team of ageing well stewards work across the mid and south Essex health and care professionals system to support older people in these communities. During the year, colleagues have developed a new frailty hotline service (FHS), a frailty, end of life and dementia assessment) tool and an electronic frailty care co-ordination system. The frailty hotline service provides direct access to a specialist elderly care clinician, signposting patients towards the frailty virtual ward and other community services to avoid admission to an acute hospital bed. The hotline saw a 55 per cent increase in monthly calls over

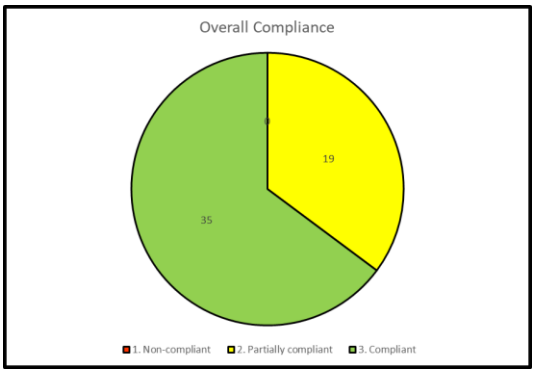
the year, saving around 14,000 acute hospital bed days and avoiding acute hospital admissions for around 80 per cent of patients.

- **Infection Control** – The Director of Infection Prevention and Control (DIPC) and Infection Prevention and Control (IPC) team have continued to provide specialist advice to all levels of the organisation and to the Mid and South Essex Community Collaborative. Assurance on policy provided through regular self-assessment reporting against the Infection Prevention and Control Board Assurance Framework through our Quality Committee.

The team have continued to provide training for staff as part of the induction programme and ongoing mandatory training and provision of the National IPC training e-learning programme.

Table 2: Overall compliance with IPC Board Assurance Framework (March 2023)





The Trust has an overall compliance of 35 out of 44 key lines of enquiry. Gaps in assurance against the criteria of the Infection Prevention and Control Code of Practice:

- **Criteria 1**: **Systems to manage and monitor the prevention and control of infection and KLOE 8: Provide secure and adequate access to laboratory / diagnostic support as appropriate -** The Trust does not have a formal IPC surveillance system – this is mitigated by our collaborative arrangements with all acute hospital services pathology laboratories in our locality and clinical teams having in place alert protocols to the IPC team of individual cases. Our system of audit for monitoring of infection prevention and control underwent reviewed with a new overarching IPC audit tool launched within the inpatient settings from June 2023. In quarter 4, the new audit tool for community-based settings piloted in preparation for roll out.

- **Criteria 2**: **Provide and maintain a clean and appropriate environment in managed premises that facilitates the prevention and control of infections -** The ventilation system in some parts of our estate require an upgrade – this is mitigated through patient flow management to facilitate air changes. In 2023, the ECT suite (Basildon) was refurbished which included an upgrade of the ventilation system.

- **Criteria 3**: **Ensure appropriate antimicrobial stewardship -** The Clinical/ Pharmacy team in 2023/24 operated in varying levels of business continuity, with the team prioritising review of antimicrobial prescribing within the inpatient wards for individual patients. However, these were not formally reported on. From January 2024, the audit programme restarted.

- **Criteria 4: Provide suitable and accurate information on infection to patients/service users, visitors/carers and any person concerned with providing further support** – Through service user support and co-production, the patient information leaflets (including roles and responsibilities) have undergone review and are being launched.

- **Criteria 5: Ensure early identification of individuals who have or are at risk of developing infection so that they receive timely and appropriate treatment to reduce the risk of transmitting infection to others**. **And Criteria 7: Provide and secure adequate isolation precautions and facilities**- Admission risk assessments are in place, with further development to be inclusive of a patient's full vaccination status in response to a national alert relating to measles.

- **Criteria 6: Systems are in place to ensure all care workers are aware of and discharge their responsibilities in the process of preventing and controlling infection-** Sustaining fit testing (the fitting and testing of respiratory protective equipment (masks) to individual staff members) post Covid pandemic is being reviewed, the IPC team continue to work with our services to provide fit testing availability and also align testing slots to staff training sessions.

- **Criteria 9**: Have and adhere to policies designed for the individual's care and provider organisations that will help to prevent and control infections. And,

- **Criteria 10**: Have a system in place to manage occupational health needs and obligations of staff in relation to infection – are self-assessed as being fully compliant.

Table 3: Infection Control Cases

Clostridium difficile – Clostridium difficile incidence is assessed as cases detected after 3 days of admission (these are considered to be attributable to an infection acquired in a healthcare setting). The system of reviewing cases determines whether cases were associated with or without breaches of local protocols, the latter being deemed unavoidable.	2 cases attributed to the Trust
MRSA bacteraemia – MRSA incidence is assessed as cases detected more than 48 hours after admission, which are considered to be attributable to an infection acquired in hospital, or cases where MRSA is considered to be a contaminant.	Achieved target to have zero cases of MRSA bacteraemia
Gram-negative blood stream infections – E.coli bloodstream infections represented 55% of all gram-negative blood stream infections. Approximately three-quarters of these cases occur before patients are admitted to hospital, and the Trust continues to contribute to a system-wide plan to support improvements across the health economy.	Zero cases reported
Hand hygiene monitoring – We monitor compliance with best practice for hand hygiene through monthly audits by our clinical inpatient teams.	Overall compliance 99%
Covid-19 Outbreaks – EPUT have been committed to following the guidance issued by Public Health England (PHE). All staff have had the opportunity to undertake a risk assessment ensuring their health and safety within the workplace. Staff have access and training regarding the use of personal protective equipment (PPE).	There have been 119 outbreaks of nosocomial infection in EPUT. (2022/23: 70)

Prevention of Future Deaths – The Trust have received 9 prevention of future death reports in 2023/24. Actions taken in response are subject to a quality review to provide assurance that changes to practice are embedded and sustained. The Board of Directors receive reports on the prevention of future deaths issued, the responses and the process in place to ensure action is taken and wider learning.

Service visits – Governors and Non-Executive Directors carry out service visits across the Trust, speaking with patients and staff. These visits are reported through the Council of Governors, with

immediate actions reported back to service area leads. In 2023/24, seven visits were undertaken by our Governors, 51 by non-executive directors and 91 by our executive directors. In addition, there were a number of visits from key stakeholders and MPs which were supported by executives within the year.

Vaccination Programme

Following on from its successful Spring and Autumn Covid vaccination campaigns of 2023, the Trust has just embarked on the Spring 2024 campaign. We have continued to operate the popular and trusted Vaccination Centre from The Lodge. Our mobile teams have visited care homes in Mid and South Essex (MSE) and housebound residents on behalf of GP practices throughout MSE and Suffolk & North East Essex (SNEE).

In a slight variation to previous campaigns, in Autumn 2023, we expanded the programme to give GPs the option of vaccinating their housebound and care home patients in respect of Covid and Influenza as part of a dual delivery programme. This was in response to patients requesting one vaccination visit only. We hope to build further on this approach in campaigns going forward.

As part of our Covid outreach programme, the team have been visiting eligible cohorts amongst the homeless and transient communities such as showmen and refugees.

We have provided pop-up clinics in busy and well known areas to help improve the uptake in vaccinations in that area and we have supported mothers-to-be by expanding the programme to offer Covid vaccinations at maternity units in Mid and South Essex.

Service Developments in 2023/24

We continued to innovate and develop services throughout the year, working together with patients, their families and carers, our staff and partner organisations. Highlights include:

- Our new mental health urgent care department at Basildon Hospital, a dedicated calm and therapeutic space where people experiencing a mental health crisis can receive care away from the hospital's main A&E department. Patients leave the department with a care plan and ongoing support in place to help avoid them needing to be admitted in an emergency.

- Working with the East of England Ambulance Service, we launched a mental health joint response vehicle in the mid and south Essex area. Staffed by an ambulance clinician and a mental health specialist, the vehicle can help ensure people experiencing a mental health crisis get the right care and avoid them being taken to hospital. The vehicle is used seven days a week from 1pm to 1am.

- We also worked with the East of England Ambulance Service to introduce a new community falls response service in west Essex to help improve outcomes for patients who fall at home and reduce the risk of them being left without medical attention for lengthy periods of time. The service uses a specially equipped ambulance vehicle staffed by an ambulance clinician and either an occupational therapist, physiotherapist or nurse from EPUT. The team carries out a full holistic clinical assessment to check the patient's physical health and mobility, identify any potential risk for further falls and provide any basic equipment to reduce these risks.

- We launched the first specialist Neuromodulation service in the east of England at the Brentwood Resource Centre. Neuromodulation uses targeted delivery of either chemical, electro-magnetic or electrical stimulation to alter nerve activity in the part of the brain that regulates mood, helping to reduce and relieve symptoms of depression and anxiety. The Essex Neuromodulation Service is the only centre in the region to offer a range of Neuromodulation treatments for patients living with long-term depression for whom medication has proven ineffective.

- We introduced a special bedroom at our Rainbow Mother and Baby Unit in Chelmsford designed specifically for patients with a high body mass index. It is one of the first of its kind in the UK and was created after our clinical team struggled to find appropriate care for a bariatric patient and her child nationally. The new room has been designed with patient safety and comfort in mind and has a specially adapted bed, chair, and private shower and toilet facilities.

Improving flow and capacity

We have established joint inpatient and community review and discharge planning meetings for all of our adult and older adult mental health services, providing a senior clinical oversight of each patient's progression towards discharge. The review process includes an escalation structure to ensure patients do not remain in hospital after they are clinically ready for discharge and to avoid delays in planned discharges. Our processes use the NHS England "red to green" methodology and review issues and constraints at both ward and Trust wide level. Patients who are clinically ready for discharge but where there are constraints elsewhere in the system are escalated to the Essex adult delayed transfer of care meetings, where senior EPUT staff work together with colleagues from health and social care Commissioning, local authorities and wider system partners to resolve the issues. The meeting follows the principles set out within the NHS Improvement Multi-Agency Discharge Events (MADE) model.

During the year, we actively engaged with the NHS England discharge challenge, which aims to ensure that people who are clinically ready to leave a mental health inpatient bed are not delayed. Based on good practice and evidence, a set of key initiatives have been co-developed with a range of system-wide experts to help drive improvements in flow and reduce delayed discharges for mental health patients.

Our work to reduce and eliminate the need for people to be placed in mental health inpatient beds outside of Essex continued throughout the year. We saw a reduction in the numbers of out of area placements, achieved through improving the flow of patients through our own services and processes, and focusing on ensuring that all inpatient admissions are based on a clear purpose with therapeutic benefit which can only be provided in an inpatient setting.

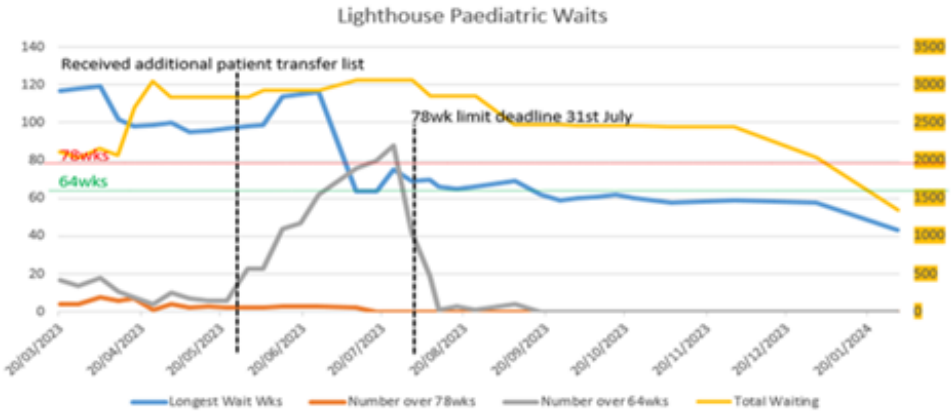
During the year, we also hosted a system wide conference, led by Dr Ian Davidson, national lead for NHS England's 'Getting it Right First Time' programme, and we are taking the actions from the conference into our ongoing work to improve flow and capacity.

The Lighthouse Child Development Centre: On 1 March 2022, EPUT took on the Children's contract and expansion of its offer for children and families in South East Essex, when the 'Lighthouse' (Children's neuro-development assessment and treatment service) transferred from Mid & South Essex NHS Foundation Trust. At the point of transfer, the service was holding an inherited backlog of children on the waiting list and a significant active caseload. The Trust, with the support of the Elective Care Intensive Support Team worked to validate the waiting list to enable accurate reporting. We have continued to work towards eradicating long waits for the service users at the centre, alongside a review of the model of care through coproduction.

The service has a much greater offer to children and young people and their families when compared to March 2022.

In addition, waiting lists have reduced, and along with this it is now easier for referrals to be made. The service continues to be innovative and work collaboratively with its partners, including children and young people, parents and carers. To support this there is a trend of fewer and less serious complaints, coupled with an overall and general increase in positive feedback through I Want Great Care.

Graph 1: Waiting times



Since March 2022 - Key messages:

- The number of children and young people on the waiting list has halved from 3,000 to 1,500
- The longest wait reduced from 120 weeks to 50 weeks
- The number of children and young people waiting over 64 weeks has gone down from a peak of 80 to zero
- The number of children and young people waiting over 78 weeks is now zero

Older Adults – Supporting people to be treated in their own homes

Our west Essex teams have continued to lead in delivering dementia services, working in collaboration with local health and care partners to support older people to remain in their own homes. Our intensive support team (IST) is a key component of this work, providing urgent care and support to people in their own home or usual place of residence.

During the year, we carried out a service evaluation to assess the impact of the IST, on admissions to Kitwood and Roding wards, our two older adult wards at St Margaret's Hospital in Epping. The evaluation compared admissions in 2018 prior to the establishment of the IST team with admissions in 2022, the IST's third year of operation and a year after the Covid pandemic. It found that the IST team had had a significant impact on admissions. In 2018, 78 patients under the care of the SDFS teams were admitted to the 30 beds on these wards, representing 55 per cent of admissions. In 2022, bed numbers had reduced to 26, and 30 SDFS patients were admitted, representing 30 per cent of these beds.

Falls Response Vehicle

A Falls Response Service was launched in West Essex in June last year to respond to and provide support for people who have fallen at home or in a care home within two hours. The service operates 08.00 – 20.00 seven days a week.

The specially equipped ambulance vehicle is staffed by an ambulance clinician from the East of England Ambulance Service (EEAST) and either an occupational therapist, physiotherapist or nurse from Essex Partnership University NHS Foundation Trust (EPUT). The team are fully equipped to be able to lift those people who are still on the floor as well as offer the following:

- A full holistic clinical assessment to check their physical health and mobility
- Check for potential risk of further falls and provision of basic equipment to reduce these risks, as needed
- Review of any care or health interventions the person is already receiving. Onward referrals or follow up checks will be made as required

The service has received extremely positive feedback from patients, their carers and health/care professionals since its launch in June last year preventing unnecessary ED conveyance and admission for many people, improving experience and outcomes.

Occupational Therapy Secondment Scheme

In partnership with our colleagues at Adult social care and Princess Alexandra Hospital we have successfully created a bespoke secondment opportunity for band 6 Occupational Therapists in West Essex. This is a programme of 4 x 9 month secondments covering stroke rehabilitation, urgent care response, adult social care and a variety of acute areas. The scheme allows staff to gain experience across a wide range of clinical settings whilst enabling services to maintain staff cover/capacity. The scheme supports our recruitment and retention objectives.

Perinatal Services

Our perinatal services continue to deliver quality improvements:

Our diversity and inclusion work involved engaging with community groups representing people affected by health inequalities. This pathway came as a result of requests to make access to advice for clients quicker, it means we circumvent the usual referral for assessment from the usual health and social care professionals, to be accepted for organisations working with people who might find access to care difficult.

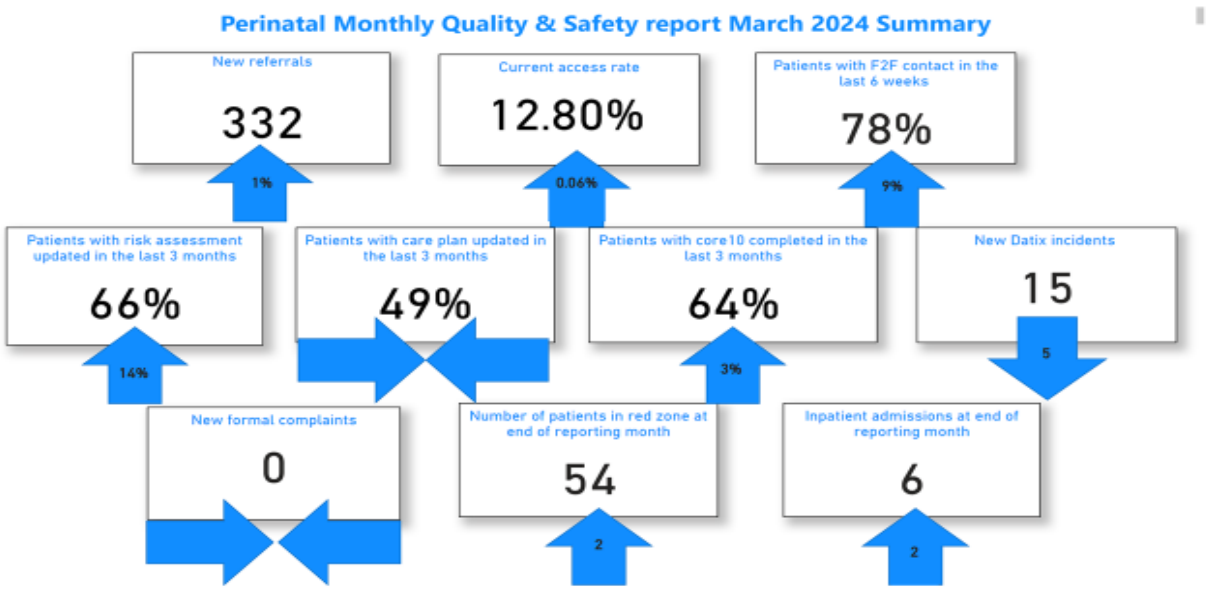
It is aligned with known evidence about particular minoritised groups having poor maternal outcomes for themselves and babies across domains and also poorer access and more stigma around mental health issues, including systemic disadvantages contributing to this.

The main principles of introducing this are below:

- Facilitating access to assessment for people who experience systemic barriers. Removing systemic barrier of referral from professionals for groups affected by inequalities.
- Helping to join the dots for people across services.
- Addressing risk and help needed as soon as we know about it.

This guide is intended for our duty clinicians to know they can accept referrals from these groups. We will develop a friendly version to share with community groups we develop relationships with.

It has been supported at the Essex Perinatal Mental Health Steering group representing the Essex system, commissioners and with NHS England representatives.



Time to Care Programme

During the year, we continued to make positive progress in drive quality improvements across our wards, and have now begun to deliver our Time to Care programme. We have already introduced a number of new roles, including activity co-ordinators, clinical site managers, professional nurse educators and a clinical flow lead to support purposeful admission. We also developed our model of peer support in our inpatient services, following a very successful pilot on specific wards.

We piloted our new ward manager development programme, with six ward managers successfully graduating, having undertaken quality improvement projects in support of clinical quality and safety. The programme is now part of our overall Management Development Programme and all ward managers and deputy ward managers are now enrolled.

We have also delivered a number of process improvements on our wards, including a new clinical handover charter, co-designed with staff, to support consistently safe and effective handovers of care between shifts.

Transitions Intensive Psychology Service (TIPS) made shortlist of 5 out of over 100 nominations for Mental Health Innovation of the Year in the prestigious 2023 Health Service Journal awards.

TIPS allows high-complexity, high risk, high intensity service users with Personality Disorder to access specialist, consistent psychological support, in order to better manage risk and improve wellbeing. Our goal is to facilitate long or repeat stay clients' safe discharge from psychiatric hospital, to reduce the use of tertiary placements, to improve the wellbeing of staff that work with these clients, and to reduce suicides by this client group. We do this through long term, intensive, trauma-informed therapies, offered in a highly person centred framework and whole system approach.

Quality and Excellence Awards 2023

Inspirational stories and examples of outstanding compassionate care, innovation and commitment to public service were at the heart of our 2023 Quality and Excellence Awards. The winners were announced on 5 July, the 75th birthday of the NHS.

Our Health Heroes Awards 2024

Debbie Harris, Senior Healthcare Assistant for our Frailty Service in south east Essex, was named bronze award winner in the Apprentice of the Year category for her work in raising awareness of elder abuse.

Young Carers in Schools programme

In February 2024, Poplar Adolescent Unit Therapeutic Education Department became the first inpatient mental health service in Essex to achieve the Young Carers in Schools national award. Accredited by The Carers Trust and The Children's Society, the Young Carers in Schools programme helps primary and secondary schools improve outcomes for young carers.

Health Service Journal (HSJ) Partnership Awards 2023

Our work to develop a national apprenticeship scheme for Clinical Associates in Psychology (CAP) was named Best Educational Programme for the NHS. It was also Highly Commended in the Best Mental Health Partnership with the NHS category.

Zenith Global Health's Global Health Awards

Prince Adoe, mental health nurse, won the Rising Star - Excellence in Nursing accolade and Moriam Adekunle, Director of Safety and Patient Safety Specialist, received a Special Recognition Award for her efforts in enhancing patient safety.

Anna Firth MP's Community Champion Awards

Tracy Reed, End of Life Care Clinical Lead, and Spencer Dinnage, Operational Service Manager for Older People's Community Mental health, Dementia and Frailty in mid and south Essex, received

Community Champion Awards from Southend West MP Anna Firth in recognition of their service to the NHS.

Patient Led Assessment of the Care Environment (PLACE)

Patient led assessments of the care environment are an appraisal of the non-clinical aspects of NHS healthcare settings, undertaken by teams made up of staff and members of the public (known as patient assessors). The team must include a minimum of two patient assessors.

PLACE assessments provide a framework for assessing quality against common guidelines and standards:

- **Cleanliness** – the domain covers all items commonly found in healthcare premises, including patient equipment. Examples are baths, toilets and showers, furniture, floors and fixtures and fittings.
- **Food and Hydration** – the domain includes a range of organisational questions relating to catering services available for patients, for example choice of food, 24-hour availability, meal times and access to menus. It also includes an assessment of food at ward level, including taste, texture and appropriateness of serving temperature.
- **Privacy, Dignity and Wellbeing** – the domain includes infrastructure and organisational aspects such as the provision of outdoor and recreational areas, changing and waiting facilities and access to television, radio, internet and telephones. It also includes the practicality of male and female services e.g. sleeping, bathroom and toilet facilities, and ensuring patients are appropriately dressed to protect their dignity.
- **Condition, Appearance and Maintenance** – the domain includes various aspects of the general environment including décor, condition of fixtures and fittings, tidiness, signage, lighting (including access to natural light), linen, access to car parking, waste management, the external appearance of the buildings and the maintenance of the grounds.
- **Dementia and Disability** – this domain ensures assessments for the other domains are made with a view to the needs of a person living with dementia or a disability, for example wheelchair access, hearing loops and accessible information.

The following tables detail the Trust's scores against the national average benchmark from 2023, based on the 1,069 assessments undertaken in 2023 – figures from NHS England.

The Trust performed well against the national average for the following domains:

	EPUT	National Average
Disability	88%	84%
Dementia	85%	83%
Privacy, Dignity & Wellbeing	97%	88%

Areas for improvement include:

	EPUT	National Average
Cleanliness	97%	98%
Condition, Appearance & Maintenance	94%	96%
Food	89%	91%

Within our inpatient services, the highest scoring wards were at Basildon Mental Health Unit, Brockfield House and Thurrock Community Hospital. This is a positive indication of the benefits brought through £20m investment made over recent years to improve the physical environment of inpatient areas and safety across our whole estate.

Patient and Public Involvement

The Trust believes that working in partnership with the people and communities that use our services is crucial to driving forward improvements and maintaining the high quality standards we set ourselves (Strategic Objective 3). Our most important partnership is with our patients and service users and their families, carers and supporters.

In 2023/24, we developed our 'Working in Partnership with People and Communities' strategy to support the delivery of the Trust objectives. Launched in January 2024, the strategy sets out three guiding principles:

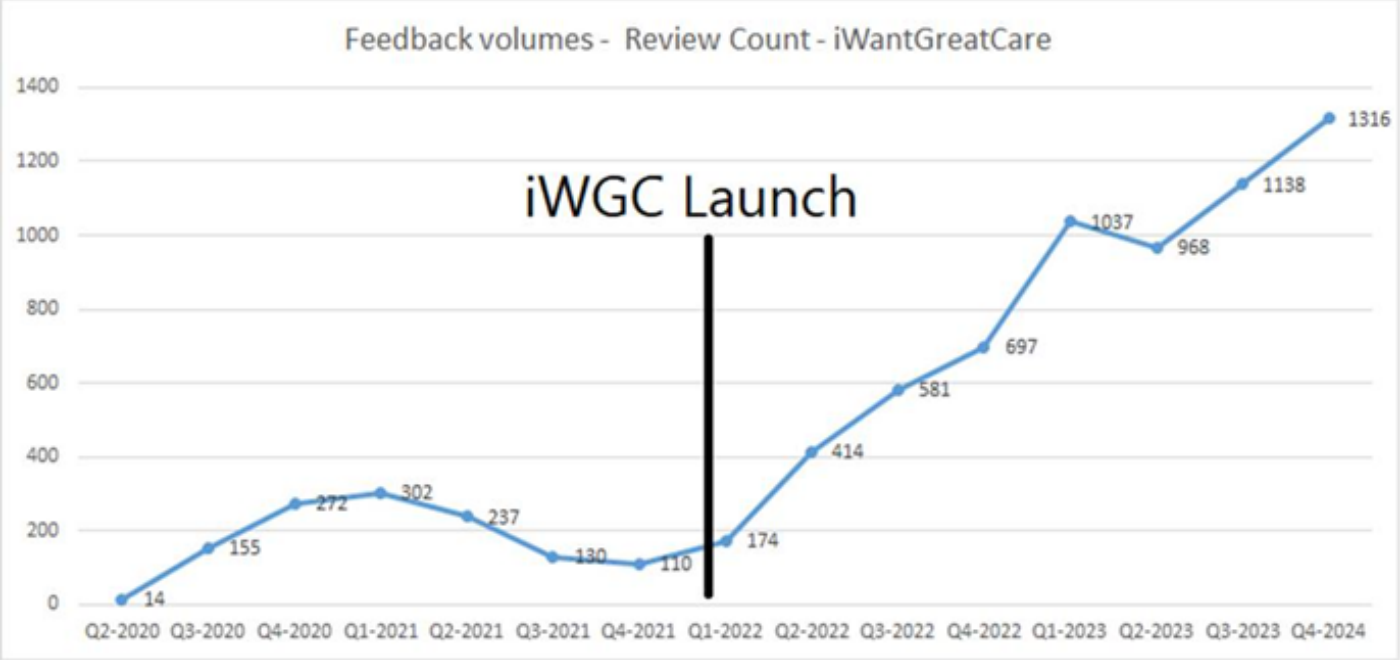
- **Equitable partnerships at every level of the organisation:** with people using our services, relinquishing power and control whilst maintaining our responsibility to care for people.
- **Lived experience practice is what we do, it is in our DNA:** Our lived experience is invaluable, and the Trust celebrates it and harnesses it to drive meaningful change.
- **Co-production first:** Everything we do, we do in partnership with people using our services, actively seeking and encouraging feedback, good or bad.

To deliver on our ambitions, we continue to focus our energies on growing and developing our Lived Experience Team and the opportunities they have to work in an equitable way from ward to Board. We are also co-producing our Lived Experience Practice Framework, improving our feedback mechanisms and uptake of iWantGreatCare (iWGC), a national independent platform which encourages patients and service users to share their experience and outcomes. We will continue to strive toward best practice coproduction and co-design, and celebrating the power of collaborative partnerships with an annual coproduction event.

In 2023/24, we saw:

- Continued growth in the number of review responses received through iWGC

Graph 2: Number of iWGC Reviews



- General improvement year on year in terms of average ratings from reviews through iWGC

Table 4: Comparison of March 2023 and 2024

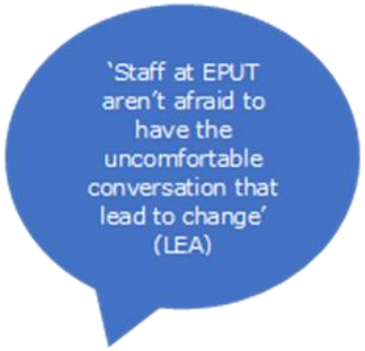
	March 2023	March 2024
Number of reviews this period	195	388
Average score for all questions this period	4.75	4.81
5 Star score	4.71	4.77
% Positive experience	92.8%	93.3%
% Negative experience	2.6%	3.4%

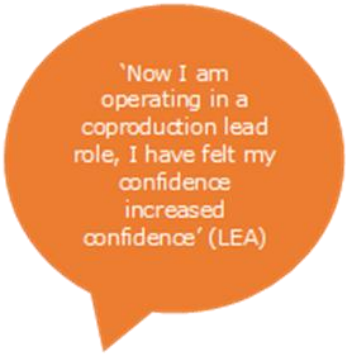
- Growth in the Lived Experience Team, volunteers and hours of involvement

Table 5: Comparison from April 2023 and April 2024

	Apr '23	Apr '24	% Increase
Volunteers	267	484	81%
Lived Experience Ambassadors	132	217	64%
Hours of Involvement	717	955	33%

Feedback from our lived experience ambassadors:





- Doubling the patient safety partner team from five to ten people
- Launching the Inpatient Peer Support team, now working across three sites and 12 services

Feedback from service users:

- The Trust's first annual coproduction conference was held in October 2023 with over 100 delegates attending. The conference was co-designed and co-delivered by our co-production champions.

The Care Quality Commission Community Mental Health Survey

The CQC annual community mental health survey asks people who use NHS community mental health services in England about their experience of care. The CQC use the survey results to build an understanding of the risk and quality of services. The 2023 survey involved 53 providers of NHS community mental health services in England, with responses from 14,770 people - a response rate of 20 per cent.

EPUT continues to participate in the survey. In April 2024, we received a benchmark report for the 2023 survey. We have used the results to identify and make changes to improve the experience of people using our community mental health services. This year, the methodology, eligibility, and questions used have been revised and so it is not possible to make comparisons with previous year.

People who took part in the survey

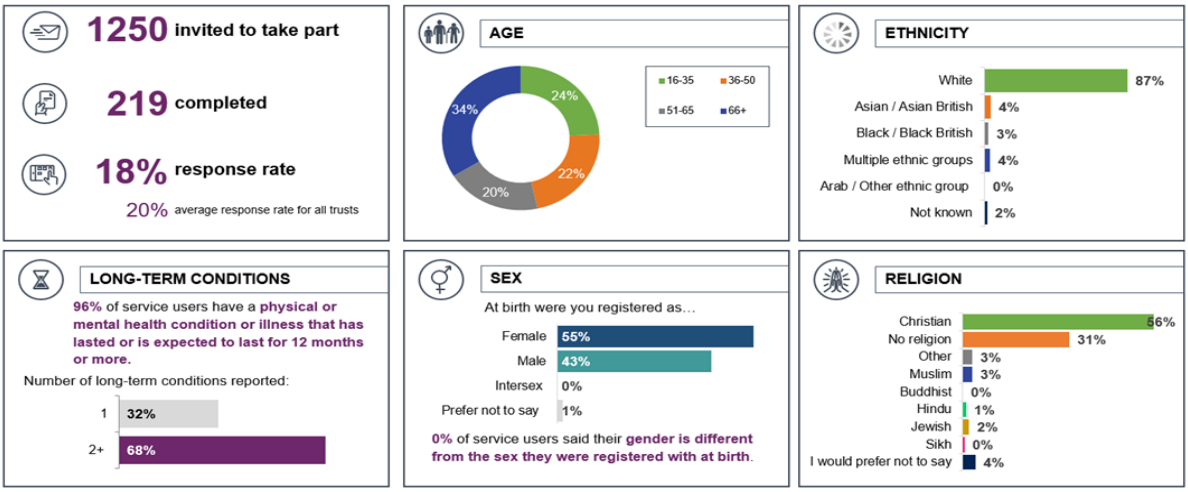


Table 6: Comparison with other trusts (the number of questions where EPUT performed better, worse, or about the same compared with all other trusts)

Where our service user experience is best - top 5 scores relative to the national average:

- ✓ **Support while waiting**: service users offered support appropriate for their mental health needs while waiting
- ✓ **Support in other areas of your life**: service users being given help or advice with finding support for finding or keeping work
- ✓ **Planning care**: service users having a care plan
- ✓ **Support in other areas of your life**: service users being given support with physical health needs
- ✓ **Support while waiting**: service users being offered support with their mental health while waiting between assessment with the NHS mental health team and first appointment for treatment

Where our service user experience could improve - bottom 5 scores relative to the national average:

- **Medication**: what will happen if they stop taking medication being discussed with the service user
- **Medication**: side effects of medication being discussed with the service user
- **Support in accessing care**: NHS mental health team asked if service users needed support to access their care and treatment
- **Talking therapies**: service users having enough privacy to talk comfortably during talking therapies
- **Support in other areas of life**: service users being given help or advice with finding support for joining a group or taking part in an activity e.g. art, sport etc.

The full reports for every NHS community mental health providers are available on the CQC website.

Patient Advice and Liaison Service (PALS) and Complaints

Patient Advice and Liaison Service (PALS) and Complaints are fundamental in giving the people and communities that use our services a platform for being heard and seeking improvements.

	2022/23	2023/24
Formal Complaints	397	275
PALS Enquiries	470	537
MP Complaints	71	69
Locally Resolved Complaints	48	60
Compliments	1,320	1,344

Within the year, there were nine cases referred to the Parliamentary and Health Services Ombudsman (PHSO) where the complainant was dissatisfied with the response received from the Trust. Two cases were closed with no further investigation after assessment by the PHSO; eight referrals were awaiting initial assessment as at 31 March 2024.

The Trust's full Complaints and Compliments Annual Report for 2023/24 is available on our website.

Equality of Service Delivery

EPUT is working with its partners across the three Essex Integrated Care Systems to understand and address health inequalities in access, experience and outcomes.

Through our role in supporting the delivery of the integrated care strategies of the three Integrated Care Partnerships, EPUT has set out its commitment to a new model of equitable partnership, particularly with organisations in the voluntary, community and charity sectors.

EPUT also plays a key role in the delivery of the Southend, Essex and Thurrock All Age Mental Health Strategy, designed to deliver three key outcomes:

- Improved wellbeing levels across the Southend, Essex and Thurrock populations
- Reduced health inequalities
- Reduced premature mortality for people with serious mental illness

The EPUT strategic plan was co-produced with stakeholders and partners and informed by an analysis of known inequalities. In our plan, we have committed to reducing health inequalities in access, experience and outcomes and are committed to developing and expanding our health outreach services for communities that experience challenges in accessing healthcare.

These plans are further set out in our strategies relating to Quality of Care and Working in Partnership with People and Communities. We will have deep and meaningful connections with our local faith communities to identify gaps in health inequality and work collaboratively to close these gaps. Similarly, Trust operational plans and service developments are designed and evaluated using an inequalities assessment framework and with reference to the Joint Strategic Needs Assessments produced by Essex, Southend and Thurrock councils.

We are engaged in a range of national initiatives designed to address health inequalities:

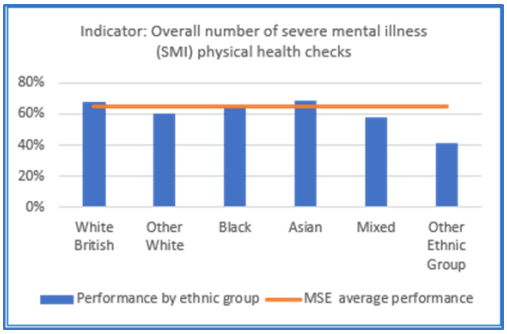
- Patient and Carer Race Equality Framework (PCREF): EPUT has been working to adopt the PCREF in advance of the set deadline of March 2025. PCREFs are designed to ensure racialised communities have fairer access to services, improved outcomes and better experience of services. The focus for 2023/24 has been on establishing leadership and governance, the recruitment of a co-production lead and improving the quality of data to enable key performance indicators by ethnicity.

- The Focus for 2024/25 will be improving cultural awareness, addressing discrimination and identifying and addressing inequalities in access, experience and outcome for our service users and their families who identify as being from an ethnic minority background.

- Patient Led Assessment of the Care Environment (PLACE): Since 2022, the PLACE process has included a specific focus on accessibility for people with a disability and/or dementia. See page 36 for further information about PLACE assessments at EPUT.

- Equality Delivery Scheme 22 (EDS22): Relaunched in 2022 with a new domain that focusses on health inequalities, we review how equitable our services are in partnership with patients, carers and families. During the year, we focused on one inpatient ward and the urgent care response team. We plan to review three more services in this way in the coming year.

- Core20Plus5 Accelerator: For the last 18 months, Mid & South Essex Integrated Care System has been working as one of seven national accelerator sites for the national CORE20PLUS5 programme. Our focus is on physical health checks for people with severe mental illness with a view to helping increase life expectancy. Whilst we recognise that there is more work to do, we have seen an improvement in the uptake of physical health checks across the mid and south Essex area, with a greater uptake for people who identify as white British, black and Asian.



We provide a range of services for people with learning disabilities and autistic people and have embedded a range of new practices in the last year to address the inequitable outcomes we know people can face.

- Ask Listen Do sessions have been embedded and evolved to include specific forms for learning disability and neurodiversity
- We marked Learning Disability week with an information session attended by 120 staff
- We have started the rollout of Oliver McGowan learning disability and autism awareness training to all relevant staff at EPUT, with 84% of staff now trained

- Our new Quality of Care Strategy has a focus on promoting neurodiversity and reducing restrictive practice for all patient groups to address identifiable areas of inequity.

Spotlight - Perinatal Mental Health Service

Black women are four times more likely to die in pregnancy and childbirth. Stillbirth rates for babies of black ethnicity are over twice those for babies of White ethnicity, and Tommy's Lancet series showed black women have a 40 per cent increased risk of experiencing a miscarriage. Research has found common themes such as black and Asian women feeling unsafe, both physically and psychologically, during their maternity care. Overt racial stereotyping and micro-aggressions were widely reported.

In response, we translated maternal mental health service leaflets into the top spoken languages in Essex. We are holding a series of networking events across Essex with representatives from voluntary, community and social enterprises organisations aligned to each maternity unit and supporting the following groups:

- People from ethnically marginalised and minoritised backgrounds including migrants, asylum seekers and refugees
- People identifying as LGBTQIA+
- People who are sight and/or hearing impaired
- People with learning disabilities

In Thurrock, the second largest ethnic group at nine per cent of the population is Black/African/Caribbean and Black British, according to the 2021 Census. B3-Bumps, Birth & Belonging has set up spaces for black women to meet and gain support when navigating the perinatal period. Therapists from EPUT work within these spaces to provide antenatal and/or postnatal support and review how relational difficulties with their infants can be supported.

We understand the extent to which social factors influence health outcomes and are committed to influencing and acting locally to improve factors such as skills and employment, air quality and access to green space, access to safe and good quality housing and social connectivity.

As a foundation trust, EPUT has a responsibility to ensure it optimises its positive social impact. In September 2023, we launched our Social Impact Strategy for the next five years, which sets out our ambition to go further than providing safe, high quality physical and mental healthcare by adopting principles of equity and ambitiously pursuing our strategic objective ***to help our communities thrive***. EPUT is ideally positioned to convene partners and co-ordinate socially impactful activity. Our social impact strategy compliments and co-ordinates a wide range of pre-existing activities and services that are designed to help our local communities thrive and address inequalities.

Spotlight - Employment Services (Individual Placement and Support (IPS))

The IPS team are specialists in supporting people who have experienced severe mental illness to find employment at a pace that works for them. The service is open to anyone who seeks support with no exclusion criteria.

IPS works with people to find and retain paid work by using the individual placement support model. The team help people decide what type of work they are interested in and put together an action plan that may include:

Our retention specialists support people living in the Essex County Council area, excluding Southend and Thurrock, whose ongoing mental or physical health is affecting their ability to carry out their work.

EPUT directly provide services in north east and mid Essex. We work in partnership with the charity Employ-Ability to provide services in west, south east and south Essex and Southend on our behalf. We are recognised as a national centre of excellence for delivering IPS services by the Centre for Mental Health.

Our Social Impact Strategy is structured around five pillars. We delivered some important interventions during 2023/24.

1. Inclusive employment	West Essex inclusive recruitment event for autistic people and people with learning disabilities - 14 people attended, three job offers made, one start date agreed.
	De-biasing manager development training delivered to 36 hiring managers.
2. Procurement for social value	Contacts tendered include 10 per cent evaluation weighting for social value at the point of procurement.
	Spent 29 per cent of procurement spend in January, February and March 2024, compared with 11 per cent between April and November 2023.
3. Environment sustainability	Renovation of Trust green spaces to promote health and wellbeing of patients and staff.
	Hybrid and electric vehicle usage by staff up to 149 in 2023/24 (from two in 2018 to 89 in 2022/23).
	Approximately 30 per cent reduction in carbon emissions.
	Approximately 50 per cent reduction in water consumption and waste water production.
	Installation of electric vehicle charging infrastructure – 27 charge points across six Trust locations, the majority publicly available.
4. Use of estates	Exploring options for accommodating two voluntary and community sector partner organisations in EPUT premises to help those organisations reduce their operating costs and maximise impact.
	Developing the new EPUT estates strategy in alignment with our social impact mission.

5. Civic partnership	Published the final evaluation of HeadsUp programme in September 2023 following the conclusion of a multi-year programme to support skills and employment opportunities for Essex, delivered in partnership with EmployAbility and SignPost. HeadsUp created a total social value of £2.6m. For every £1 spent on the project, £1.59 of social value was created.
	Enable East was awarded grant funding from local authorities to deliver Multiply (a skills training course) and has already supported 330 adults who do not have a GCSE in mathematics to improve their numeracy skills.

We are tracking the impact of our social impact interventions through adoption of the *How Strong is your Anchor?* model, developed by University College London Partners and commonly used across the Essex Anchor partnerships. Updates on the delivery of our strategic objective to help our communities thrive will be provided to the Board of Directors three times a year within the Strategic Impact Report.

Equality monitoring policies

The Trust is committed to deliver against national requirements for ethnicity monitoring for both patients and staff - DSCN 02/2001, DSCN 03/2001 and DSCN 21/2000. This also follows national sexual orientation monitoring standards to ensure requests for data from staff and patients is undertaken in an inclusive manner. These policies are supported through our Equality Monitoring Policy and Procedure.

Accessible Information Standard (AIS)

The Accessible Information Standard requires all NHS and adult social care services to have a consistent approach to identifying, recording, flagging, sharing and meeting the needs of anyone accessing services. The Standard is part of our induction for all new staff and information is available for all staff on the Trust intranet.

Faith and Chaplaincy Services

We have worked closely with our chaplaincy services throughout this period, with focus on providing guidance to staff members on ways they can observe their faith and spirituality in work. Our Chaplaincy service have provided helpful advice and support in ensuring the Trust meets spiritual and faith needs of patients and service users.

Interpreting and Translation Services

The Trust has a contract in place with Language Empire to provide interpreting and translation services for patients and service users. This service helps bridge potential language and/or cultural barriers between our patients and the Trust as a healthcare provider. It also allows services users to communicate accurate information to their clinicians and practitioners.

Equality Impact Assessments

The Trust has a robust Equality Impact Assessment (EIA) process, which ensures EIAs are completed for all policies and key decision making. We are currently reviewing our approach to ensure it provides the right balance of rigour and ease of implementation.

Overseas Operations

The Trust did not undertake any oversees operations during the year 2023/24.

Modern Slavery Act

The Trust is committed to ensuring there is no modern slavery or human trafficking in any part of our business and, in so far as possible, to requiring our suppliers to hold a similar ethos. We adhere to the

NHS Employment Checks standards which include the right to work and suitable references. Human trafficking and modern slavery guidance is embedded into Trust safeguarding policies. Our Modern Day Slavery Statement is available in full on our website.

Sustainability and Environmental Stewardship

Leadership and Engagement

Our world and operational environment are currently facing significant and far-reaching challenges, with climate change having the potential for the most significant impact on the health and wellbeing of the most vulnerable in our communities. Evidence increasingly indicates that we and our communities are going to face more challenging climate-related events, including but not limited to adverse weather events, all of which can give rise to the spread of infectious disease, impacting on the mental health of our communities.

In recognition of the growing consequence of climate change including discharging our responsibilities under statutory requirements and the impact on the delivery of Healthcare to the communities we serve the Trust developed its Green Plan. The Plan sets out our commitment to reducing the impact of our operations on our communities and the environment, discharging our regulatory duties as well as aligning with the NHS goal of achieving net zero by 2040. The plan is available on our website.

Green Plan

Our Green Plan sets out clear targets for measuring success towards achieving a net-zero carbon future for the Trust. It also presents a comprehensive overview of the changes needed for EPUT to become more sustainable and offers an overview of current resource use across the Trust.

This plan covers the period from 2021-2026 and:

- Sets out the national and local context of sustainability within the healthcare sector
- Presents a comprehensive overview of the drivers for the NHS and our Trust in becoming more sustainable
- Provides an overview of current resource use by the Trust
- Estimates the Trust's current carbon footprint and sets a target for reduction
- Presents the outputs of the Sustainable development assessment using the Sustainable development assessment tool
- Reflects on progress to date and sets out actions to improve sustainability of the Trust

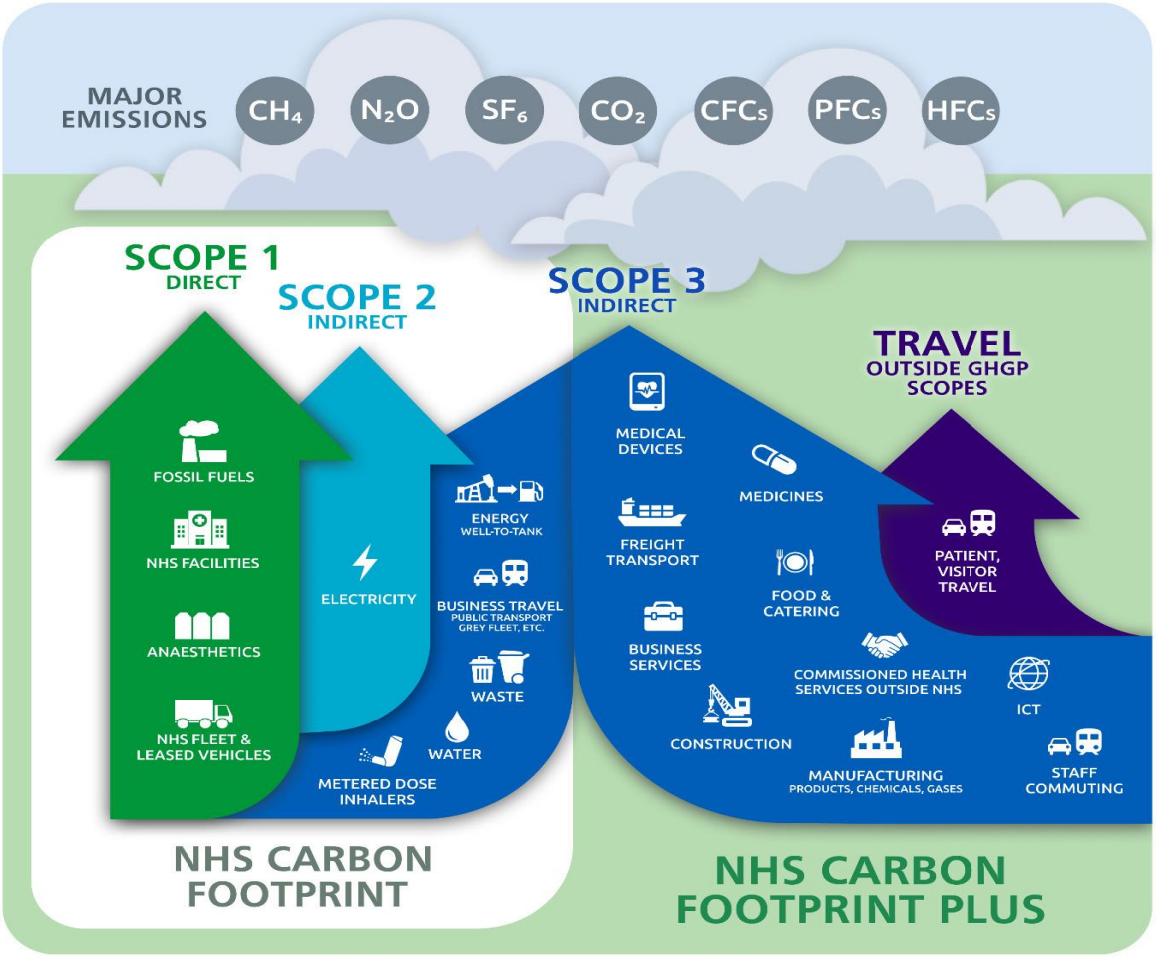
Progress towards implementing the Green Plan is reported annually and aligns with NHS guidance. To date, we have completed 65 per cent of our action plan. The Green Plan will undergo a mid-term review in 2024. It will then be updated in 2026 and a new plan published to cover the period 2026 to 2031.

Care Quality Commission

The Trust aims to meet the Care Quality Commission's requirement on sustainable development, which forms part of the CQC's new Single Assessment Framework. To do so, we will aim to provide evidence of our:

- Environmental awareness
- Renewable energy usage
- Sustainable transport options
- Waste reduction/management e.g. recycling
- Premises - including energy saving measures
- 'Green' procurement
- Environment, including use of land and impact on air quality

Figure 1 – Greenhouse Gas Emissions by activity/scope



EPUT has various metrics to demonstrate good governance in respect of the discharging our regulatory obligations as well as our obligations to our communities, which are captured in the Green Plan. We continue to work with trusted partners across our integrated care systems to deliver the best possible outcomes for our communities.

Sustainability – Governance

Task Force on climate-related disclosures (TFCD)

In line with NHS England's phased approach to incorporating the TFCD recommended disclosures as part of the annual reporting requirements, we will be implementing our sustainability reporting requirements on a phased basis up to the 2025/26 financial year. For 2023/24, this includes the governance pillar detailed below with reference to relevant information sources. Trusts are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TFCD requirements - these are computed nationally by NHS England.

Governance

EPUT recognises that having a leadership team with clear and specific responsibility for climate related risk and opportunities is essential to good governance and financial planning. There is a clear governance structure in place which provides oversight, challenge and accountability for the delivery of the Trust's Green Plan and associated activities, including but not limited to climate change risk, climate change adaptation and business continuity planning, which puts patient and staff safety and wellbeing at the heart of the organisation risk management and decision making process.

Leadership and oversight is provided by the Executive Chief Finance & Resource Officer, a Non-Executive Director with dedicated responsibility for sustainability and the Senior Director of Estates and Facilities, supported by the Associate Director of Estates, the Head of Sustainability and senior managers from across the Trust who are responsible for service delivery.

Operational oversight is provided through the Sustainability and Environmental Management Committee, co-chaired by the Executive Chief Finance and Resource Officer and the Senior Director of Estates and Facilities, which meets four times a year. The committee reports to the Finance and Performance Committee (a standing committee of the Board of Directors).

Climate change risks, operational and strategic risks are recorded in the Estates and Facilities Risk Register, which underpins the Trust's Corporate Risk Register.

Our People

Staff engagement in sustainability agenda

The Trust continues with its strategy of engaging and involving staff in sustainability. Our Green Champions, a network of staff passionate about sustainability.

Green Champions meet every month to discuss issues pertaining to sustainability, encompassing waste management and opportunities to reduce the impact of the Trusts operations on the environment.

Energy and direct consumption

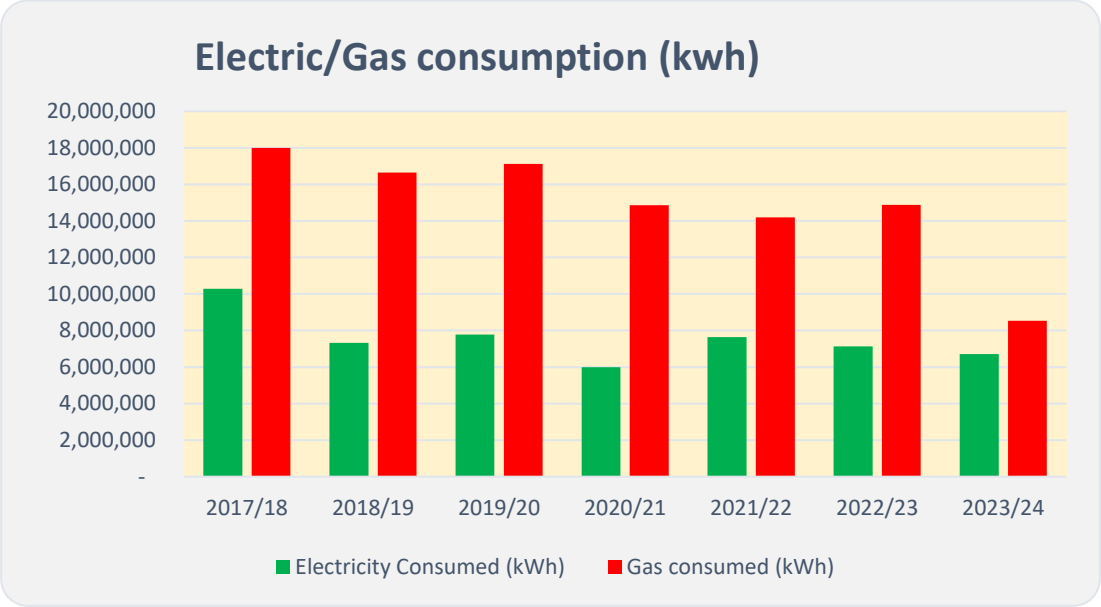
Table 6 and Figure 2 below illustrate the Trust's energy consumption from a baseline year of 2018/19. We purchase energy through Crown Commercial Services using a standard procurement framework, ensuring we obtain the best available prices. Electricity is provided from a range of renewable technologies across the UK under the Renewable for Business tariff, helping us reduce the impact of our activities on the environment and communities across Essex.

Table 6- Energy Consumption (kwh)

Collection	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Occupied Floor area (m²)	**146,180**	141,254	139,913	139,914	139,664	**123.413**
Total Electricity Consumed (kWh)	**7,319,779**	7,773,231	5,996,494	7,645,126	7,140,470	**6,707,435**
Gas consumed (kWh)	**16,651,433**	17,122,441	14,857,677	14,191,374	14,872,663	**8,529,744**
Renewable Energy - Electricity (kWh)	**4,121,485**	6,745,958	4,985,055	7,645,126	7,140,470	**6,707,435**
Site energy consumed per occupied floor area (kWh/m²)	**164**	176	149	156	158	**123**

The figures show a decline in energy consumption and a significant fall in gas consumption during 2023/24. The sharp fall in gas consumption can be accounted for by unusually mild winter and a reduction in occupied floor space from 158 m^2 to 123 m^2.

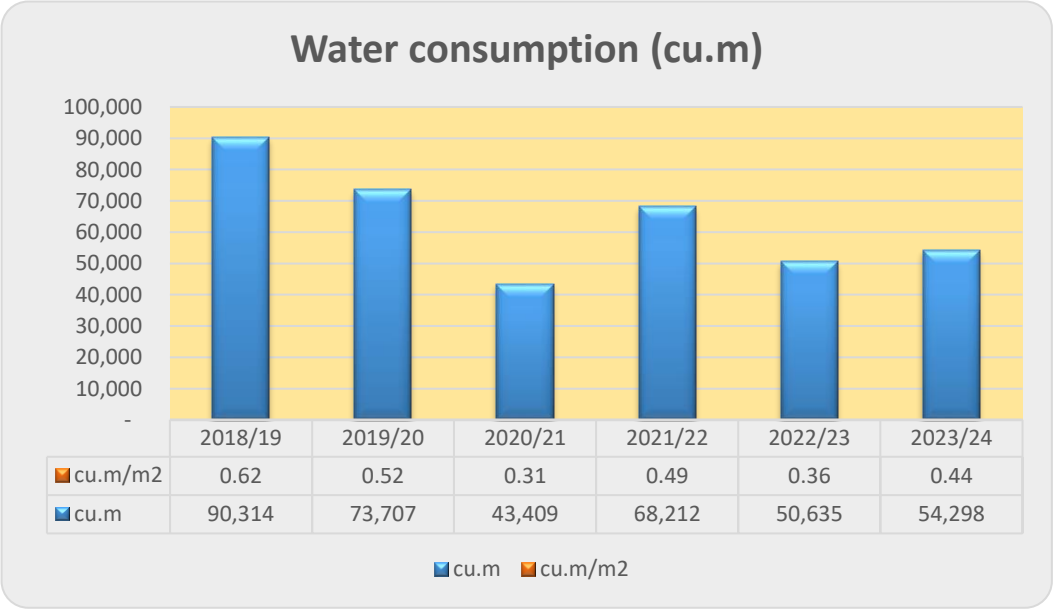
Figure 2- Energy Consumption (kwh)



Water consumption

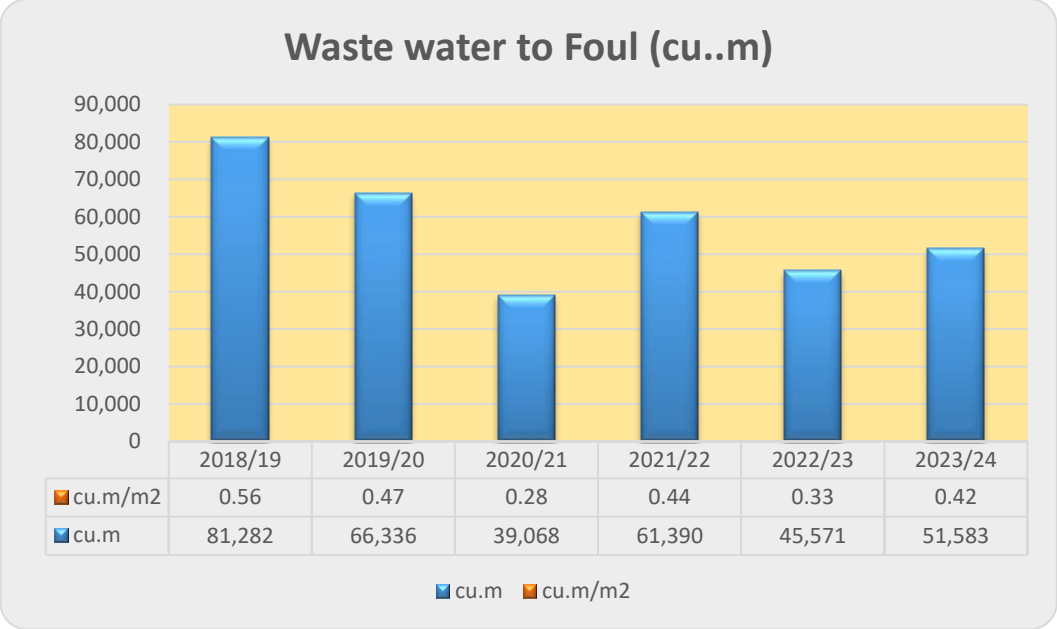
In 2023 the Trust undertook a procurement exercise for water and waste water services, providing a modest financial saving. However, the transition to a new provider has affected the quality of water consumption data. Coupled with the statutory requirement for water service providers to read water meters annually, the data shows a small increase compared to the previous year. The Trust recognises the predicted impact of climate change through rising temperatures on a region of the UK that is already considered to be a water stressed area. In response, we have installed technology to reduce water consumption and waste water production and retendered contracts which rely on water usage, including the provision of linen and laundry services. For this particular contract, we specified that submitted tenders demonstrated a commitment to reducing water consumed, wastewater produced and associated wastewater contaminants.

Figure 3 - Water consumption



	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
cu.m/m2	0.62	0.52	0.31	0.49	0.36	0.44
cu.m	90,314	73,707	43,409	68,212	50,635	54,298

Figure 4 - Waste water production



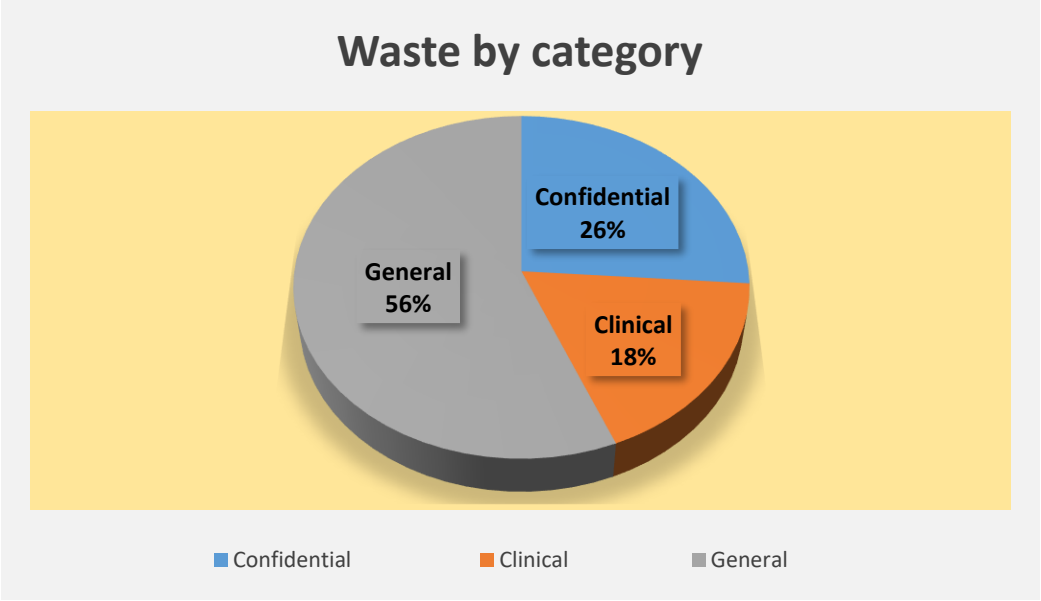
For areas where wastewater is unmetered, it is calculated to be 95 per cent of actual water consumed in those areas.

Waste

The Trust has statutory obligations to process waste in accordance with relevant waste regulations, the guidance issued by NHS England in its Health Technical Memorandum HTM 01-07 (2023) and in accordance with the principles of the waste hierarchy.

In August 2023, the Trust completed a competitive tender for the provision of waste services across all of its sites for the majority of clinical, general and confidential waste. Moving away from a total waste management service, we awarded three separate contracts to specialist contractors and anticipated a significant improvement in waste reduction and recycling. We have also appointed a dedicated waste manager to manage the new contracts and work with our partners to reduce waste produced and increase the amount of waste which is recycled.

Figure 5 - Waste produced by category



We are able to avoid sending the vast majority of our waste to landfill. In particular:

- Confidential waste is shredded and recycled, avoiding around 272 tonnes of landfill waste each year
- Clinical waste is diverted for alternative treatment or sent for incineration, which generates heat and power for use by other businesses
- Over 3,300 items of electrical and electronic equipment have been recycled and/or repurposed, diverting over 19,000kg of electric waste from landfill and reducing carbon dioxide emission by an estimated 652 tonnes

Our use of the Warp-It recycling platform, an online facility for staff to advertise surplus items of furniture, equipment and office supplies, enabled 318 items to be reused or repurposed across the Trust in 2023/24

Procurement

We are committed to sustainable procurement across all our operations in accordance with national policies, and tender specifications detail our sustainability requirements. We make specific reference to vehicle specifications, reducing vehicle movements and minimising waste.

Travel and transport

The NHS England Net Zero Travel and Transport Strategy states that emissions from staff travel must be reduced through shifts to more sustainable forms of travel and the electrification of personal vehicles. Our staff, patients, visitors and supply chain undertake a significant amount of business related travel each year, contributing to the amount of carbon dioxide emissions attributed to our direct and indirect activities.

We encourage staff to use public transport where possible, but the geographic distribution of our services means we face a significant challenge in reducing emissions from staff commuting to and from work. However, we remain committed to reducing the impact and have a number of initiatives in place, including:

- Public transport season ticket loans
- Electric vehicle charging facilities
- Cycle shelters
- Access to cycle purchasing schemes, including Love to Ride Essex

The Trust has a small fleet of vehicles, including 44 vans, 15 cars and five people carriers. We have begun the process of replacing vehicles with hybrid and fully electric alternatives and currently have 15 regenerative electric hybrid and three fully electric vehicles. As vehicle lease agreements come to an end, we will endeavour to replace these vehicles with low, ultra-low, hybrid or electric alternatives, depending on operational requirements.

We are in the process or replacing 30 of our older diesel powered lease vehicles as they have come to the end of their operational life and/or lease agreement and are currently acquiring 16 low emission petrol vans and 14 plug-in petrol hybrid vans.

We have seen a significant reduction in fuel consumed in our fleet vehicles in the last year, with diesel consumption dropping by 30,000 litres and petrol consumption by 1,700 litres. We have made the decision to move away from diesel powered vehicles because of the environmental impact of particulate emissions in particular.

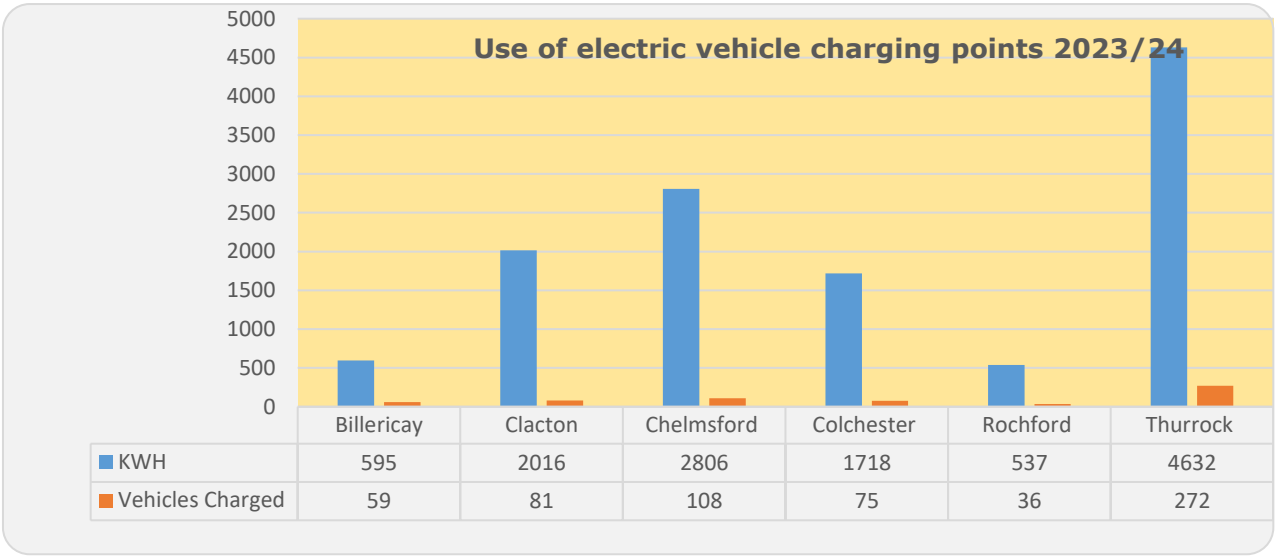
Charging facilities at the St Aubyn Centre in Colchester

Since introducing electric vehicle charging in 2022/23, we have seen a steady increase use, shown in figure 6. In 2023/24, our EV charging points provided 12,304KwH of electricity for Trust, staff and visitor vehicles, additionally generating a modest income.

Business travel

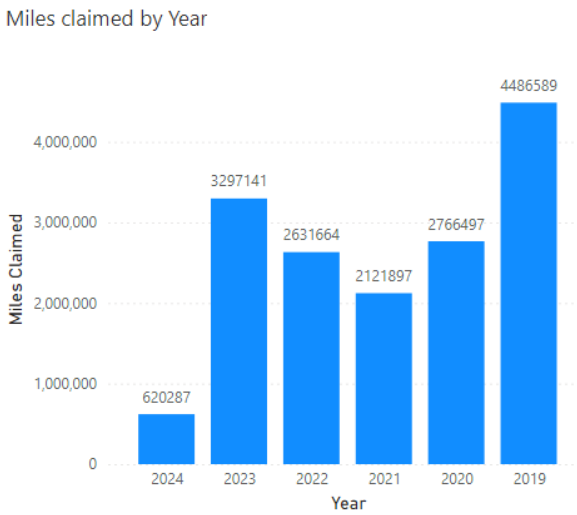
The Trust has seen a steady decline in business travel undertaken by staff since 2019, along with the associated carbon dioxide produced.

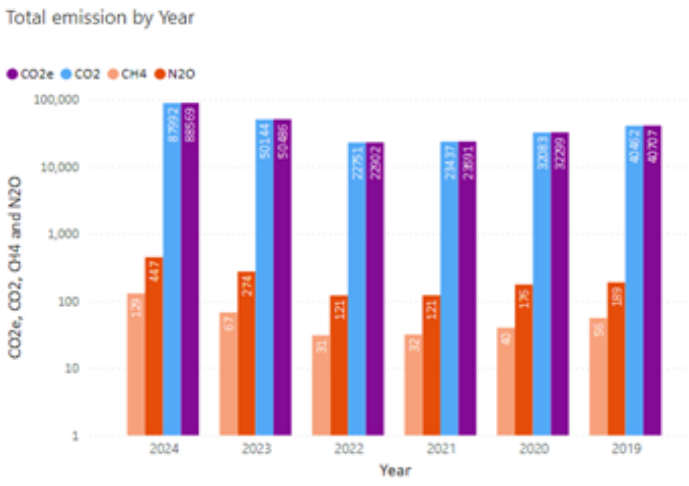
Figure 6



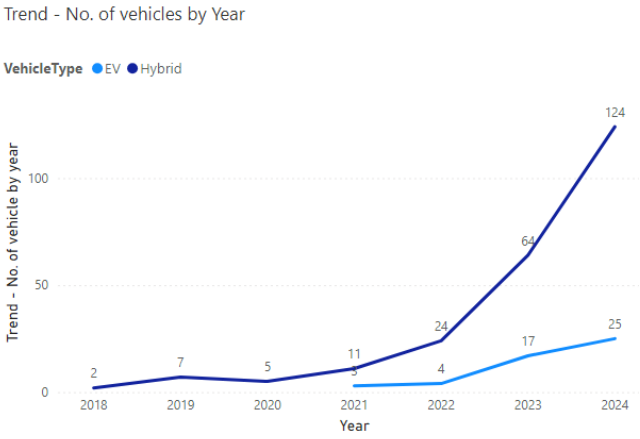
	Billericay	Clacton	Chelmsford	Colchester	Rochford	Thurrock
KWH	595	2016	2806	1718	537	4632
Vehicles Charged	59	81	108	75	36	272

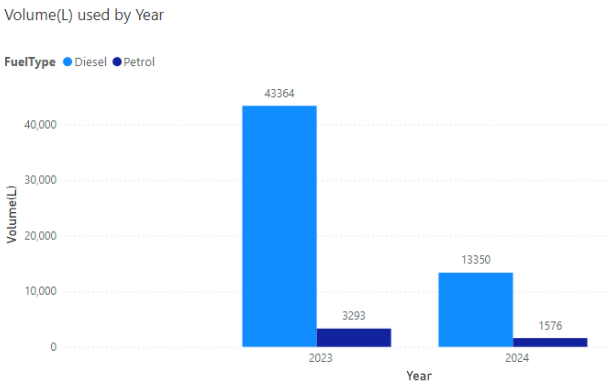
In the last year, the number of hybrid, ultra-low emission and zero emission vehicles used by our staff for business mileage has increased by half compared to 2023. This is demonstrated by the number of business miles claimed by staff using different type of vehicle and is illustrated in the graphs below.

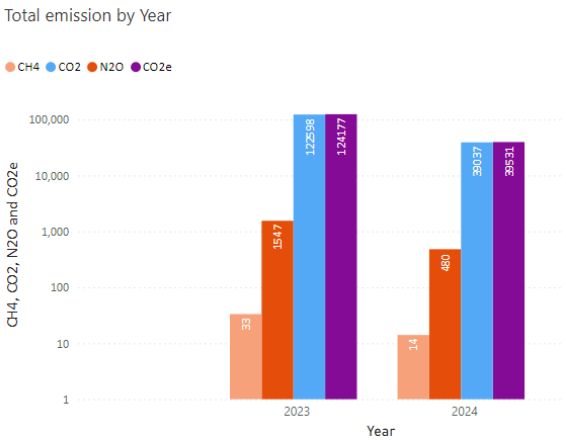




Year	Miles Claimed
2019	4,450,033.00
2020	2,749,270.00
2021	2,113,102.00
2022	2,625,111.00
2023	3,285,914.00
2024	618,058.00
Diesel	144,494.00
EV	11,221.00
Hybrid	48,524.00
Petrol	413,819.00







Non-emergency patient transport

The Trust has recently completed a tendering exercise for non-emergency patient transport services. This is a demand-led service and contributes to scope 3 greenhouse Gas emissions, for which the Trust is not directly accountable but does have an obligation to reduce. Between April 2023 and March 2024 an estimated 3,627 patient related journeys took place, covering over 74,000 miles. The new provider for the service is committed to reducing vehicle emissions by moving to a fleet of hybrid and electric vehicles by 2030.

Equal opportunities

Our strategic objectives and the NHS Equality, Diversity and Inclusion (EDI) Improvement Plan shape our approach to EDI. Helping our communities thrive requires us to understand the experiences of people from marginalised groups, both in our workforce and our local communities.

We use the TRAC online recruitment system to help ensure that our job application and shortlisting process is fair and inclusive. Personal details such as an applicant's name or protected characteristics are withheld from the shortlisting panel, allowing decision making to be based solely on merit and potential. For senior positions at Agenda for Change bands 8a and above, interview panels include inclusion ambassadors who are advocates for inclusive practice, both through lived experience and as members of our staff networks.

Our latest pay gap report includes data of mean and median gender pay gaps based on ethnicity and gender. Key headlines from the report include:

- The gender pay gap hourly rate pay gap for EPUT is 12.93 per cent, with men receiving an average of £20.61 per hour and women £17.24 per hour. When comparing the median hourly rate this reduces to 7.31 per cent, a reduction of 0.13 per cent in the average percentage. The median rate has increased by 1.1 per cent compared to 2022, meaning that men on average are paid 7.31 per cent more than women
- The gender pay gap bonus pay gap for EPUT is 56.01 per cent, with men receiving an average bonus pay of £9,449.11 compared to £4,157.12 for women. When comparing the median rate this increases to 66.84 per cent. The average percentage has reduced by 3.49 per cent compared to 2022 and the median by 12.76 per cent, meaning that men on average receive average bonus pay which is 66.64 per cent higher than women
- 2.07 per cent of male staff received a bonus compared to 0.36 per cent of female staff during the reporting period

We have seen a significant growth in the number of women in medical roles over the previous 15 years, which will reduce the gender bonus pay gap over time:

- Our female medical workforce has increased by 17.7 per cent from 31.2 per cent in 2008 to 48.9 per cent in 2023, although this is a reduction on the 2022 figure of 49.4 per cent
- The number of female medical consultants has increased by 13 per cent from 22.7 per cent in 2008 to 35.6 per cent in 2023, although this is a reduction on the 2022 figure of 36.1 per cent.

During the last year, we also reported on pay gaps based on ethnicity. Key findings are:

- A large proportion of the total BME workforce are paid at Band 3 (857)
- BME staff representation consistently decreases from Band 5 to Band 9
- There are no BME staff in a Band 9 role
- There is a greater proportion of BME medical staff (66.15 per cent) compared with white medical staff (24.12 per cent)

A comprehensive action plan has been developed to address pay gaps in the Trust, which is available on our website.

FINANCIAL REVIEW

OVERVIEW

This part of the Performance Report provides a commentary on the financial performance of the Trust. The Trust's annual report and accounts cover the period of 1 April 2023 to 31 March 2024. Annual Accounts have been prepared in accordance with directions issued by NHS England (NHSE) under the National Health Service Act 2006. They are also prepared in accordance with International Financial Reporting Standards (IFRS) and are designed to give a true and fair view of the Trust's financial activities.

Financial Performance

During the Financial year, the Trust agreed a control target deficit of £9.985m. This target was approved by NHS England and the Trust's delivery against this target was £9.655m.
The Trust's adjusted financial performance, after accounting for revised financial provisions, was a deficit of £21.474m.

The tables below provide a summary of the Trust's performance on its Statement of Comprehensive Income and the Statement of Financial Position.

Table 7: Summary of Statement of Comprehensive Income

	2023/24 £000	2022/23 £000
Total income	538,739	520,987
Operating expenses	(557,196)	(518,259)
Finance costs/other gains and losses	(11,987)	(2,845)
Reported deficit for the year*	**(30,444)**	**(117)**
Exclude: I & E impairments/(reversals)	4,622	96
Exclude: IFRS16 PFI conversion	4,245	-
Exclude: Local Government Pension Scheme	98	115
Exclude: Depreciation on donated assets	5	5
Adjusted surplus/(deficit) for the year	**(21,474)**	**96**

Income from healthcare activities

Total income from all sources was £538.7m, of which income received from patient care activities totalled £507.3m with other income of £31.5m. This is in line with the requirement of section 43 (2A) of the NHS Act 2006, as amended by the Health and Social Care Act 2012.

Section 43(3A) of the NHS Act 2006 also requires NHS Foundation Trusts to provide information on the impact that other income it has received has had on the provision of the health service in England. The majority of other income relates to education and training income for our staff (£22.7m). This has no impact on the provision of goods and services for the purposes of the health service in England.

Operating expenditure

The total operating expenditure of the Trust for 2023/24 was £557.2m. The largest area of spend related to staff costs, at £387.7m or 70 per cent.

Efficiency

Against the total efficiency requirement for the year of £22.9m, the Trust successfully achieved savings of £19.9m through a combination of both recurrent and non-recurrent measures.

Finance costs

The Trust is required to pay the Treasury dividends in respect of the Public Dividend Capital held by the Trust. These are paid twice a year in September and March, at a rate determined by the Treasury (currently 3.5%) on the average relevant net assets of the Trust. Average relevant net assets are based on the opening and closing balances of the Statement of Financial Position, and therefore a debtor or creditor may exist at year-end between the Trust and Treasury. For the 2023/24 financial year, the Trust paid dividends of £5.7m, with a debtor balance of £0.6m.

In addition, the Trust incurred finance costs in respect of PFI obligations for the Trust's properties at Rawreth Court in Rawreth, Clifton Lodge in Westcliff and Brockfield House in Wickford. This included an interest charge of £2.6 million and the impact of the lease liability remeasurement following conversion to IFRS 16 in April 2023 of £5m. The Trust also holds loans with the Department of Health, which incurred interest costs of £0.1m.

The Trust also paid finance costs in respect of the right of use assets of £0.4m during the year.

Local Government Pension Scheme (LGPS)

The Trust is required to obtain an actuarial valuation on the Local Government Pension Scheme (LGPS) on an annual basis, which relates to social workers employed by the Trust under Section 75 agreements. This is based on figures provided by the actuary at Essex Pension Fund, with the figures subsequently verified by the Trust's external auditors. The operational cost, finance income, and finance costs of the scheme for 2023/24 have been reflected in the Trust's Statement of Comprehensive Income and reduced the Trust's surplus by £0.1m. In addition, the Trust is required to account for an actuarial gain resulting from an increase in the value of scheme assets during the year. The plan is now recording a net defined asset of £0.1m within the Trust's non-current assets.

Impaired value of land and property

During 2023/24, the Trust instructed the District Valuer to undertake a valuation of its estate. This resulted in a net increase in land and buildings of £1,898k, which has been reflected in the Trust's Statement of Financial Position.

This net position includes a number of revaluations (increase in values) and impairments (reduction in values) which are chargeable to either the Statement of Comprehensive Income as part of operating expenses, or taken to the Revaluation Reserve in the Statement of Financial Position. Any taken to the Statement of Comprehensive Income are excluded as a technical item in the adjusted financial position against which the Trust is monitored and for which in the 2023/24 financial year totalled £4,622k.

Revaluation of investment property

In accordance with accounting guidelines, the Trust has undertaken an annual revaluation of its investment properties. This has resulted in a net decrease in the overall value of the Trust's investment properties of £0.5m in 2023/24. This decrease is reported as part of the Statement of Comprehensive Income within other gains and losses.

Table 8: Summary of statement of financial position

Summary of Statement of Financial Position	2023/24 £000	2022/23 £000
Non-current assets	301,202	291,257
Current assets (excluding cash)	21,224	33,508
Cash and cash equivalents	43,378	65,941
Current liabilities	(72,913)	(84,637)
Non-current liabilities	(93,847)	(72,726)
Total assets employed	**199,044**	**233,343**
Total taxpayers equity	**199,044**	**233,343**

Capital investment

During the year, the Trust invested £16.2m on capital expenditure, of which £3.3m was funded from Department of Health Public Dividend Capital. The Trust continues to heavily invest to improve facilities, estates, digital infrastructure and equipment requirements. Investments are prioritised on a risk-based approach with clinical and operational leadership driving these priorities. The total capital spend for the year included the following:

- £5.1m on ward refurbishments including the Hadleigh Unit, Basildon Mental Health Unit (ECT Suite). Woodlea Clinic, Derwent Centre, The Lakes and Hospital Road
- £1.8m on patient safety, health & safety and backlog maintenance including access controls, seclusion rooms, search rooms, door alarms/replacements, window replacements, medical equipment replacement, furniture and furnishings replacements, fire safety works, CCTV and water safety remedial works
- £5.1m on Electronic Patient Record Project (EPR), including preparation for business case, and EPR readiness scheme
- £0.4m on Electronic Prescribing and Medicines Administration (EPMA);
- £2.7m on ICT including digital equipment refresh
- £0.9m on other improvements to Trust estate

Within non-current assets on the face of the Statement of Financial Position, the Trust now holds intangible assets, plus property, plant and equipment totaling £238.8m as at the end of March 2024.

Right of use assets

In addition to property, plant and equipment, a further £44m of right of use assets are also held within non-current assets.

In line with other property, plant and equipment, the right of use assets are depreciated in-year, which is charged to the Statement of Comprehensive Income within operating expenses. The Trust also incurred an interest charge on the lease liability of £450k, which is charged as part of finance expenditure.

Investment property

The Trust holds a number of investment properties within the classification of non-current assets totaling £18.1m. These properties are leased out to various organisations, including other NHS bodies, housing associations and private individuals.

Assets held for sale

As at the end of the 2023/24 financial year, the Trust held one asset in preparation for disposal. This relates to number 4 The Glades based in Bedfordshire. This was revalued during the year, decreasing in value by £30k. In line with accounting guidance, this decrease was charged into the Statement of Comprehensive Income as a reversal of a prior year impairment.

Non-current liabilities

The Trust was required to adopt International Financial Reporting Standard (IFRS) 16 Leases to the liabilities held in respect of the PFI properties with effect from April 2023. As a result of the conversion, the Trust's PFI liabilities increased by £13.3m, with a further £5m increase arising from the in-year remeasurement of the lease liability.

The Trust's other leases (and which are supported by a right of use asset) were similarly remeasured during the year and increased in value by £7.5m.

Capital repayments against the PFI liability and lease liability for the year totalled £5.5m.

Working capital and liquidity

The Trust has robust cash management and forecasting arrangements in place, which are further supported by the Finance and Performance Committee. This Committee was chaired by a Non-Executive Director, and included further Non-Executive Directors and the Executive Chief Finance Officer.

The Trust invests surplus cash on a day-to-day basis in line with the Operating Cash Management Policy and Procedure and has maximised interest generated from cash management activities by placing longer-term investments with the National Loans Fund, a government bank. During the year, the Trust earned interest of £3.3m which has been reinvested into patient care.

Policy and payment of creditors

The Non NHS Trade Creditor Payment Policy of the NHS is to comply with both the Confederation of British Industry (CBI) Prompt Payment Code and government accounting rules. The government accounting rules state: "The timing of payment should normally be stated in the contract. Where there is no contractual provision, departments should pay within 30 days of receipt of goods and services or on the presentation of a valid invoice, whichever is the later". As a result of this policy, the Trust ensures that:

- A clear consistent policy of paying bills in accordance with contracts exists and that finance and purchasing divisions are aware of this policy
- Payment terms are agreed at the outset of a contract and are adhered to
- Payment terms are not altered without prior agreement of the supplier
- Suppliers are given clear guidance on payment terms
- A system exists for dealing quickly with disputes and complaints
- Bills are paid within 30 days unless covered by other agreed payment terms

The Trust's performance on its creditor payments for the 2023/24 financial year is detailed below:

Table 9: Performance on creditor payments 2023/24

	NHS		Non-NHS		Total	
	Number of invoices	Value £000	Number of invoices	Value £000	Number of invoices	Value £000
Invoices paid within 30 days	798	43,523	82,407	231,203	83,205	274,726
Invoices paid in excess of 30 days	426	9,414	7,106	16,728	7,532	26,142
Total invoices that were or should have been paid in 30 days	**1,224**	**52,937**	**89,513**	**247,931**	**90,737**	**300,868**
	65.2%	**82.2%**	**92.1%**	**93.3%**	**91.7%**	**91.3%**

The Trust's combined performance on the payment of suppliers is 91.7%, based on the number of invoices. Comparable performance for the previous financial year was 91.5%.

During the year, the Trust incurred actual interest charges on the late payment of invoices of £350 compared to £765 in 2022/23.

Taxpayers' equity

As at the end of 2023/24, the Trust holds Public Dividend Capital (PDC) of £144.9m, including new PDC capital received during the year of £3.3m to support capital investment.

Taxpayers' equity also includes reserves for income and expenditure surpluses and deficits generated

over the years and from asset revaluations arising from the impact of the valuations of the Trust's estate. The total of these represents the level of taxpayers' equity in the Trust of £199m.

There has been a net reduction in the value of taxpayers' equity during 2023/24 as a result of the reported deficit, in-year revaluation of land and buildings and the impact of the transition to IFRS 16 for PFI lease liability measurement.

Accounting policies

The Trust has detailed accounting policies which comply with the NHS Foundation Trust Annual Reporting Manual, have been thoroughly reviewed by the Trust and agreed with external auditors. Details of the policies are shown on pages 156 to 175 of the 2023/24 annual accounts.

Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury guidelines.

NHS pensions and directors' remuneration

The accounting policy in relation to employee pension and retirement benefits and the remuneration report is set out on pages 76 to 92.

Charitable funds

The Trust has a registered charity in the name of Essex Partnership University NHS Foundation Trust Charities (number 1053793) which holds funds resulting from fundraising activities, donations and legacies received over many years.

The Charity consists of a number of restricted funds which are used to purchase equipment and other services in accordance with the purpose for which the funds were raised or donated, as well as unrestricted (general-purpose) funds, which are more widely available for the benefit of patients and staff.

The Trust is extremely grateful for all donations. Further details about the Charity and how to donate to it are available on our website.

The Board of Directors act as Corporate Trustee for the Charity and are further supported by the Charitable Funds Committee. The Committee consists of two Non-Executive Directors, one of whom is the Trust Chair, the Executive Chief Finance Officer and Executive Director of Major Projects and Programmes. Due to materiality, the charity accounts are not consolidated into the Trust's main accounts for the 2023/24 financial year.

A copy of the charity's Annual Report and Accounts for 2023/24 will be available from January 2025 from the Executive Chief Finance Officer.

Political donations

The Trust did not make or receive any political donations from or to its exchequer or charitable funds during 2023/24.

Financial risk management

The Trust's financial performance is assessed by NHS England, based on the NHS Oversight Framework. This framework looks at six themes, of which one is the Trust's performance on finance and use of resources. The Trust has a robust risk management process into which any identified financial risks are included and monitored on a regular basis.

Paul Scott
Chief Executive
27 June 2024

ACCOUNTABILITY REPORT

DIRECTORS' REPORT

The Directors' report comprises the details of the individuals undertaking the role of director during 2023/24 and the statutory disclosures required to be part of that report. It is presented in the name of the following directors who occupied positions during the year.

Our Board of Directors provides overall leadership and vision to the Trust. It is ultimately and collectively responsible for the Trust's strategic direction, its day-to-day operations and all aspects of performance, including safety, clinical and service quality, financial and governance. The powers, duties, roles and responsibilities of the Board are set out in the Board's Standing Orders, Scheme of Reservation and Delegation.

The main roles of the Board are to:

- Provide active leadership of the Trust within a framework of prudent and effective controls which enable risk to be assessed and managed
- Set the Trust's strategic objectives, taking into consideration the views of the Council of Governors, ensure that financial resources and staff are in place for the Trust to meet its objectives and review management performance
- Ensure the quality and safety of all healthcare services, education and training delivered by the Trust and to apply the principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission and other relevant NHS bodies.
- Ensure compliance by the Trust with its provider license, its constitution, mandatory guidance issued by NHS England, relevant statutory requirements and contractual obligations, and regularly review the performance of the Trust in these areas against regulatory requirements and approved plans and objectives.

Non-Executive Directors

PROFESSOR SHEILA SALMON
TRUST CHAIR
APPOINTMENT: 01 November 2017
TERM OF OFFICE: Expires 31 October 2024

A voting member of the Board, Sheila chaired Mid Essex Hospitals NHS Trust from 2010 – 2017 and was also the Founding Chair of the Joint Working Board 92016 – 2017), forged through the collaboration of Mid Essex Hospitals with Basildon and Thurrock University Hospital Foundation Trust and Southend University Hospital Foundation Trust within the Mid and South Essex Strategic Transformation Partnership.

Sheila was previously Chair of the North East Essex Primary Care Trust (2006 – 2010) and prior to that, chaired the Essex Ambulance Service, before being appointed to the Board of the East of England Ambulance Regional Service.

Coming with a strong clinical background, she has built significant and diverse senior leadership experience in health and social care. And in the University sector, where she led the establishment of a Regional Faculty of Health and Social Care, and has represented the Nursing and Midwifery Council on numerous quality and standards visits to British Universities and their partner NHS Trusts.

DR. MATEEN JIWANI
NON-EXECUTIVE DIRECTOR / SENIOR INDEPENDENT DIRECTOR (FROM NOVEMBER '22)
APPOINTMENT: 18 January 2021
TERM OF OFFICE: Expires 18 January 2027

A voting member of the Board, Mateen is a practicing GP in London and Essex and previously worked as Medical Director at Barking, Havering and Redbridge University Hospitals NHS Trust, and NHS Enfield Clinical Commissioning Group.

He has a passion for technology and innovation, is a regular broadcaster on new and innovative healthcare approaches and sits on a number of boards including the Royal College of General Practitioners.

DIANE LEACOCK
NON-EXECUTIVE DIRECTOR
APPOINTMENT: 04 December 2023
TERM OF OFFICE: Expires End December 2025

A voting member of the Board, Diane's career has spanned several industries. She has held Finance Director roles at various commercial organisations in the information and publishing, insurance broking and legal sectors where she has streamlined, grown and transformed business units.

Diane has a keen interest in healthcare and people issues and served as a non-executive director within the NHS for 10 years prior to joining the board of EPUT.

Currently, Diane is a fractional Chief Financial Officer, working with growing businesses. She is also a non-executive director at the Royal Papworth Hospital NHS Foundation Trust and sits on the Board of Trustees at the East of England's award-winning contemporary visual arts gallery, Firstsite.

An Economics graduate of the University of Waterloo (Canada), Diane holds a Masters in Business Administration from Henley Business School and is a Fellow of the Association of Chartered Certified Accountants.

MANNY LEWIS
NON-EXECUTIVE DIRECTOR / VICE CHAIR
APPOINTMENT: 28 February 2018
TERM OF OFFICE: Ended 28 February 2024

A voting member of the Board, Manny began his career at the Inner London Education Authority.

In 1988 he became Head of Education Personnel at Waltham Forest followed by numerous promotions in 2004 he was appointed Chief Executive of the London Development Agency, where he successfully led the land assembly for the London Olympics.

In 2008, he was awarded an honorary doctorate of business administration for service to regeneration and development in London. Manny became Managing Director of Watford Borough Council in 2009, which remains his current executive position. As a non-executive director, he held the role of Deputy Chair or Mid-Essex Hospital Trust for two terms and chaired its Finance & Performance Committee.

DR. RUFUS HELM
NON-EXECUTIVE DIRECTOR
APPOINTMENT: 24 July 2018
TERM OF OFFICE: Expires 31 July 2024

A voting member of the Board, Rufus originally trained as a doctor, specialising in obstetrics and gynaecology before making the transition to management consultancy. Starting his consultancy career with Arthur Andersen Consulting, he helped establish Andersen's consultancy offering in healthcare before moving on to commercial roles with Serco and Circle Health. Here he concentrated on the design and implementation of new service models focusing on improving the management of long-term conditions and, in particular, the interface between acute and community settings.

Rufus joined the British Medical Journal (BMJ) as their Head of Business Development in 2012 where he focused on how digital resources can drive clinical improvement in areas such as clinical decision support, shared decision making and the delivery of evidence based medicine.

More recently, he helped Health Navigator implement its innovative tele-coaching model as their Chief Operating Officer / Chief Medical Officer and now provides freelance consultancy to health organisations countrywide.

PROFESSOR STEPHEN HEPPELL
NON-EXECUTIVE DIRECTOR
APPOINTMENT: 01 November 2022
TERM OF OFFICE: Ended 11 March 2024

A voting member of the Board, Stephen was a schoolteacher for more than a decade and a professor since 1989; he has worked, and is working, with learner led projects, with governments around the world, with international agencies, Fortune 500 companies, with schools and communities, with this PhD student and with many influential trusts and organisations.

LOY LOBO
NON-EXECUTIVE DIRECTOR / VICE CHAIR (FROM MARCH '24)
APPOINTMENT: 31 March 2021
TERM OF OFFICE: Expires 31 March 2027

A voting member of the Board, Loy is a leader in healthcare innovation. Before working exclusively in healthcare, he worked for 11 years for a management consultancy, leading technology-enabled business transformation programmes for multi-national companies.

Over the past decade, Loy has introduced a number of healthcare innovation and is president of the Royal Society of Medicine's Digital Health Council. He has launched a UK social enterprise start up in wellness and was the founder of the telehealth business at BT Global Health.

Loy has served on a number of high profile government panels and academic collaborations to promote the adoption of technology and decision science in healthcare. He runs a health innovation company that applies design, digital, and decision science to transform healthcare.

ELENA LOKTEVA
NON-EXECUTIVE DIRECTOR / CHAIR AUDIT COMMITTEE (FROM OCTOBER 2023)
APPOINTMENT: 01 July 2023
TERM OF OFFICE: Expires 20 February 2026

A voting member of the Board, Elena's executive career was in private equity. At SI Capital, she was a partner responsible for the financial and legal affairs of the firm, lead international teams handling acquisitions and exits across continental Europe and the Middle East. She also worked as a restructuring CEO in portfolio companies.

Elena has more than twenty years of board level experience in executive and non-executive capacities. Her current NED portfolio includes North Middlesex University Hospital NHS Trust and Northampton General Hospital NHS Trust. Elena also served as an Associated NED at EPUT from February 2023 prior to taking up her role. Elena has seven years of front line and board level volunteering at mental health charities, including Bipolar UK, Herts Mind and St Andrew's Healthcare.

Elena is a qualified accountant and a Fellow at the Chartered Institute of Management Accountants.

JENNY RAINE
NON-EXECUTIVE DIRECTOR
APPOINTMENT: 02 January 2024
TERM OF OFFICE: Expires End January 2027

A voting member of the Board, Jenny qualified as a Chartered Accountant with PwC before a career in Executive roles in the NHS in Cambridgeshire. This included ten years at Cambridgeshire and Peterborough Mental Health Foundation Trust as well as a period as Director of Finance and Improvement at Cambridgeshire Clinical Commissioning Group.

Jenny is now the Bursar at Corpus Christi College Cambridge and sits on the Joint Wellbeing Committee for the collegiate University, which oversees the implementation of the recently agreed Mental Health Strategy.

Jenny has also worked in an executive role for Place2Be, a charity that provides mental health services in schools. She is currently a Trustee of Red Balloon Educational Trust, which provides alternative educational opportunities for young people who have self-excluded from school as a result of bullying.

JANET WOOD
NON-EXECUTIVE DIRECTOR / CHAIR AUDIT COMMITTEE (UNTIL JUNE 2023)
APPOINTMENT: 01 October 2017
TERM OF OFFICE: Ended 30 September 2023

A voting member of the Board, Janet has a Bachelor's Degree in Business Studies and Accountancy from Edinburgh University and is a member of the Institute of Chartered Accountants of Scotland, having trained with Deloitte. She joined the NHS in 1993, working for Redbridge Healthcare and then South Essex health Authority, initially as chief accountant.

Janet had a successful career as an NHS accountant and is fully conversant with all NHS finance issues. She was involved in establishing the Essex PCTs and introducing finance and early governance structures. Through her work with HFMA, she helped run successful training events and contributed to several publications, explaining NHS finance and governance issues.

RUTH JACKSON
ASSOCIATE NON-EXECUTIVE DIRECTOR
APPOINTMENT: 12 February 2024
TERM OF OFFICE: 12 February 2026

A Non-voting member of the Board, Ruth began her career in clinical practice as a nurse before becoming a midwife working in Colchester. She moved into higher education in Anglia Ruskin University where she completed a Masters and a Doctorate. During this time she held a range of senior roles including Director of the Post Graduate Medical Institute and Pro Vice Chancellor and Dean Faculty of Medical Science. Ruth was the Pro Vice Chancellor for the development of the School of Medicine at Anglia Ruskin University working with colleagues across Essex, regionally and nationally to establish a new medical school Chelmsford in 2018.

Ruth returned to the NHS in 2020 where she held the role of Executive Chief People Officer for the Mid and South Essex Integrated Care Board, here she led on workforce and educational strategy for the system.

Ruth has a passion for education and research and the benefits they can bring for our staff and the health and wellbeing of our population. Her understanding of systems and the importance of cross sector collaboration gives her a unique perspective on the challenges and opportunities that lie ahead.

Executive Directors

PAUL SCOTT
CHIEF EXECUTIVEOFFICER
APPOINTMENT: September 2020

A voting member of the Board, Paul has extensive experience at board level and across the NHS. He held the position of Chief Financial Officer at Cambridge University Hospitals Foundation Trust, where he also led system development and integration. Prior to this, he was Executive Director of Finance, Strategy and Performance at The Ipswich Hospital NHS Trust, where he was responsible for leading long-term partnerships as well as information and IT.

He previously held senior roles in the East of England Ambulance Service and at Mid Essex Hospital Services NHS Trust. Paul is motivated by improving the way our health and care services work in partnership to deliver improvements to the services we provide.

Paul represented mental health and community services at the Mid and South Essex Integrated Care Board.

FRANCES BOLGER
INTERIM EXECUTIVE CHIEF NURSE
APPOINTMENT: 01 August 2023 to 31 March 2024

A voting member of the Board, Frances first commenced her nurse training in 1985 and following qualification, commenced her midwifery training in 1989.

Frances' nursing and midwifery career has spanned a number of organisations including Ipswich Hospital, Norfolk and Norwich University Hospital, NHS England, Norfolk and Waveney ICB, and more recently, Mid and South Essex ICB. Over her career, Frances has undertaken a variety of senior positions including the roles of clinical director, director of midwifery and chief nurse.

Frances retired in 2022, but will be supporting the Trust whilst a new chief nurse is being recruited. She will continue to work closely with the wider executive and nursing teams to support the delivery of safe and quality care within the organisation and the delivery of the CQC action plan.

ALEX GREEN
EXECUTIVE CHIEF OPERATING OFFICE (DEPUTY CEO)
APPOINTMENT: December 2020

A voting member of the Board, Alex Green was appointed as Executive Chief Operating Officer in December 2020.

Her portfolio of services includes mental health services, community physical health and learning disabilities across the Trust.

Previously she was the Director of Health and Care Delivery for West Essex at EPUT and Essex County Council. She has a wealth of experience having worked in health and social care for more than 25 years.

Alex represents EPUT on the Herts and West Essex Integrated Care Partnership.

PRODESSOR NATALIE HAMMOND
EXECUTIVE CHIEF NURSE
APPOINTMENT: August 2017– 11 March 2024

A voting member of the Board, Natalie has responsibility for the professional leadership of the Nursing and Allied Health Professions (AHP) workforce ensuring care is delivered with compassion and safely meeting high quality standards to our service users. Specific responsibility for patient safety, service user experience and outcomes, end of life, safeguarding, Mental health Act (MHA)administration, infection control, quality improvement, as well as pharmacy services.

Natalie has undertaken research and service development in the fields of substance misuse, mortality and prevention of violence and aggression and holds an MSc from the Institute of Psychiatry, Kings College London.

Natalie is passionate about EPUT as an organisation that is ambitious in delivering the best to our people by all of our people for our community.

DR. MILIND KARALE
EXECUTIVE MEDICAL DIRECTOR
APPOINTMENT: August 2017

A voting member of the Board, Dr Karale is a Consultant Psychiatrist, the Trust's Caldicott Guardian and Executive Medical Director on the Board of Directors for EPUT.

After completing his specialist training in Psychiatry from Cambridge and Eastern Deanery, Dr Karale joined as a Consultant Psychiatrist in 2007. He has worked as a Consultant Psychiatrist in various services including Inpatient Psychiatric Unit, Assertive Outreach team, Mental health Assessment Unit, Community Mental Health Team, Crisis team, Essex rTMS service and he currently provide clinical input into the Community Mental Health Team in Loughton, Essex.

Dr Karale is a Fellow of the Royal College of Psychiatrists and has a Postgraduate Diploma in Clinical Forensic Psychiatry (merit) from the Institute of Psychiatry at Maudsley. He has been involved in medical management for the last twelve years, working as Clinical Director for Clinical Governance, Deputy medical Director and Medication Director from 2012. As the Responsible Officer, he is responsible for the performance of doctors with prescribed connection to EPUT.

SEAN LEAHY
EXECUTIVE DIRECTR OF PEOPLE AND CULTURE
APPOINTMENT: August 2019 – July 2023

A voting member of the Board, Sean has been described as a modern influencer who is 'approachable and hands on' with 'the ability to quickly build strong internal and external relationships at all levels of an organisation'.

Sean's portfolio covered all people related activities for EPUT; Human resources, payroll, medical staffing, training and development, workforce planning, organisational development, equality and diversity and freedom to speak up. He was also accountable for brand, marketing and communications until he left EPUT in July 2023.

NIGEL LEONARD
EXECUTIVE DIRECTOR OF MAJOR PROJECTS AND PROGRAMMES
APPOINTMENT: August 2017

A voting member of the Board, Nigel Leonard is Executive Director of Major Projects and Programmes on the Board of Directors for EPUT.

Nigel has worked in the NHS for over 30 years in a variety of planning, governance and project management roles in acute, community and mental health organisations. He has work as a Programme Director delivering changes in mental health services in Essex and recently led the roll out of the Covid-19 Vaccination Programme across Mid & South Essex and Suffolk & North East Essex Clinical Commissioning Groups.

Nigel is a qualified company secretary and has an MSc in project management. He is also a member of the Association of Project Management.

MARCUS RIDDELL
INTERIM EXECUTIVE DIRECTOR OF PEOPLE AND CULTURE
APPOINTMENT: 01 January 2024

A voting member of the Board, Marcus is currently Interim Chief People Officer at Essex Partnership University NHS Foundation Trust, having previously served as Deputy Chief People Officer/Director of Workforce and Senior Director for Organisational Development.

Prior to this, he was Director for Strategic Partnerships at NHS Professionals, a role that followed a series of Deputy Director roles at NHS England and NHS Improvement. During the pandemic, Marcus was Head of the Covid-19 Risk Assessment Delivery Unit, Head of Staff Covid-19 vaccinations uptake, and Head of Equality and Inclusion – Evidence and Policy.

Marcus's earlier work in healthcare focused on temporary staffing including Head of Temporary Staffing at the Department of Health and Social Care, and subsequently NHS Improvement from 2017-2020.

Marcus's career began in 2006 at the Department of Communities and Local Government as an administrative assistant, before eventually filling Private Office roles for both Labour and Conservative Ministers. Marcus later moved to the Ministry of Defence as the Policy Officer for the Pakistan Desk covering strategic military engagement and counter terrorism. He subsequently moved to the Home Office to focus on domestic counter terrorism.

Marcus is the former Chairman of Kori, a community charity in north east London that provides services for disadvantaged children from predominantly BAME and low income backgrounds.

TREVOR SMITH
EXECUTIVE CHIEF FINANCE AND RESOURCE OFFICER (DEPUTY CEO)
APPOINTMENT: September 2020

A voting member of the Board, Trevor has worked as an executive director across a range of NHS services for more than 22 years.

Before joining EPUT, Trevor was Deputy Chief Executive and Chief Finance Officer at Princess Alexandra Hospital NHS Trust (PAH). During his time there Trevor actively supported PAH's financial and quality improvements as well as securing funding for the hospital redevelopment.

Trevor's portfolio includes business development, contracting, finance, estates and facilities.

SUSAN YOUNG
INTERIM EXECUTIVE DIRECTOR OF PEOPLE AND CULTURE
APPOINTMENT: 16 August 2023 to 31 December 2023

A voting member of the Board, Susan is an experienced Human Resources (HR) professional who has worked in both central and local government and the NHS. Susan is a Chartered Fellow of the Chartered Institute of Personnel and Development with over 20 years' experience in HR, organisational development and broader transformation in the public sector at Board level as both an Executive and Non-Executive Director.

ZEPHAN TRENT
EXECUTIVE DIRECTOR OF STRATEGY, TRANSFORMATION AND DIGITAL
APPOINTMENT: April 2022

A non-voting member of the Board, prior to joining EPUT Zephan was Director of Strategy Transformation / Locality Director at NHS England, where his responsibilities included the regional mental health programme, the regional learning disability and autism programme, Integrated Care System development, and Strategic change.

Zephan has a wide range of experience from senior roles in the NHS including strategy and policy development, strategic finance, transformation, analytics and business intelligence (information). Zephan represents EPUT on the Suffolk and North East Essex Integrated Care Partnership.

DENVER GREENHALGH
SENIOR DIRECTOR OF GOVERNANCE AND CORPORATE AFFAIRS
APPOINTMENT: February 2022

A non-voting member of the Board, Denver has worked in the NHS for 30 years. She began her career as a newly qualified podiatrist and then, working as a senior clinician specialising in clinical biomechanics.

Her first leadership role was as a District Chief Podiatrist in 2002, since then she has worked in operational management and leadership roles in both community and hospital based services. Denver has an MSc in Integrated Healthcare Governance and has been a Director of Governance for the past 9 years. Prior to joining EPUT, she was Director of Governance at East Suffolk and North Essex NHS Foundation Trust.

All Board members are required to disclose their relevant interests as defined in the Trust's constitution. These are recorded in a publicly available register. A copy of the register is available on our website, by contacting the Trust Secretary's Office at Trust Head Offices, The Lodge, Lodge Approach, Wickford, Essex, SS11 7XX or by emailing epunft.trust.secretary@nhs.net

Responsibilities of directors for preparing the Annual Report and Accounts

The Directors are required under the NHS Act 2006, and as directed by NHS England, to prepare accounts for each financial year. NHS England, with the approval of HM Treasury, directs that these accounts shall show and give a true and fair view of the NHS Foundation Trust's gains and losses, cash flow and financial state at the end of the financial year.

NHS England further directs that the accounts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual that is in force for the relevant financial year, which shall be agreed with HM Treasury. In preparing these accounts, the Directors are required to:

- Apply on a consistent basis, for all items considered material in relation to the accounts, accounting policies contained in the NHS Foundation Trust Annual Reporting Manual issued by NHS England
- Make judgements and estimates which are reasonable and prudent, and ensure the application of all relevant accounting standards and adherence to UK generally accepted accounting practice for companies, to the extent that they are meaningful and appropriate to the NHS, subject to any material departures being disclosed and explained in the accounts

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the Trust. This is to ensure proper financial procedures

are followed and that accounting records are maintained in a form suited to the requirements of effective management, as well as in the form prescribed for published accounts.

The Directors are responsible for safeguarding all the assets of the Trust, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are required to confirm that:

- As far as they are aware, there is no relevant information of which the Trust's auditor is unaware
- They have taken all steps they ought to have taken as a Director in order to make themselves aware of any such information and to establish that the auditor is aware of that information

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

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

NHS England's Well Led Framework

The Well-led Framework distils the favourable characteristics required to ensure the provision of quality services.

These encompass the governance arrangements covering:

- leadership capacity and capability;
- clear vision and credible strategy;
- culture of high quality care;
- clear responsibilities, roles and systems of accountability;
- clear and effective processes for managing risks, issues and performance;
- robust and appropriate information effectively processed and challenged;
- people using service, the public, staff and partners are engaged and involved;
- robust systems and processes for learning, continuous improvement and innovation.

The last formal review of our corporate governance arrangements was undertaken by Deloitte in 2019 and no major areas of concern were identified. An action plan was developed to take account of a number of recommendations that were identified to strengthen the arrangements, and progress has continued to be monitored.

We have continued to embed and mature the accountability framework, introduced in 2021/22, as an executive management system to oversee performance and gain assurance in an integrated, consistent and transparent way of our operational service directorates. The framework covers five domains:

- Quality and safety
- Operational performance
- Workforce and culture
- Finance and use of resources
- External relations

We hold our teams to account for being Well-led through the Accountability Framework and throughout 2023/24 we continued to mature this approach.

In 2023/24, we commissioned an independent review against the Well-led Framework; this review is ongoing. The Care Quality Commission undertook a well led inspection of leadership and governance in January 2023. The Trust was rated as requires improvement.

Areas for improvement:

- New strategies, systems, roles and approaches that were in the early stages of implementation required further embedding. This included the appointment of Deputy Directors of Quality & Safety; implementation of the 'Time to Care' programme; and safety dashboard.
- Work to be done to ensure quality improvement initiatives were present in services and making an impact on the services people received.
- Continued focus on staffing, whilst recognising that programmes of work, such as the recruitment programme for internationally trained nurses may have a positive impact in the future.
- Data quality affected the trust's ability to monitor and mitigate against poor performance, risk and poor quality. The report noted that the Trust were due to launch the new data strategy and advised attention and pace to address the use of 7 difference electronic patient record systems since the merger in 2017. The report referenced the early stages of the EPR replacement programme.
- Pharmacy workforce challenges affected the quality and sustainability of medicines services and reference the continued recruitment.
- Recognising the very recent implementation of a new complaints process, the CQC needed to be assured that there was enough focus on resolving long-standing complaints.

Areas where improvement had taken place:

- The freedom to speak up guardian had worked hard to increase their visibility and share the importance of speaking up.
- Many of the staff met during the inspection talked about the improvements in the workforce culture.
- The Trust board displayed positive role modelling behaviours, which they demonstrated throughout the well-led review.
- The Trust made sure learning featured at different levels in the organisation from the executive level learning sub-committee group through to learning newsletters displayed on wards and in services.
- Executives made themselves available to staff via 'grills' where staff could directly challenge leaders about their concerns or any issues.
- The trust set expectations about staff behaviour and developed a behaviour framework to outline clear boundaries about unacceptable behaviour and consequences for those behaviours.
- The trust was actively involved in work across the systems relevant to Essex, noting membership to integrated care boards, integrated care partnership board, place based alliances and our local authorities.
- Work was ongoing to ensure that patients and people who use services featured as a key stakeholder.
- The trust participated in the early adoption of the patient safety incident response framework (PSIRF).

As part of our response to the CQC report (published July 2023), we developed improvement actions to address the above. Progress of our CQC improvement plan is presented to each Board of Directors meeting, with a clear focus on sustainability and impact of our action.

The Annual Governance Statement (page 131) provides details of the systems of internal control that have been established and examples are cited throughout this Annual Report of the systems and processes in place to ensure quality services are delivered by the Trust.

The Trust has reviewed the consistency of its Annual Governance Statement against other disclosure statements made during the year as required by the Risk Assurance Framework, the disclosure statements as part of this Annual Report and against reports arising from the CQC planned and responsive reviews of the Trust. We have identified no material inconsistencies to report.

REMUNERATION REPORT

INTRODUCTION

This section covers the remuneration of the most senior managers of the Trust – those people who have the authority and responsibility for controlling the major activities of the Trust. In effect, this means the Board of Directors, including both Executive Directors (including the Chief Executive Officer), Non-Executive Directors (including the Chair) and any other director in attendance at Board meetings.

Information is also provided about the Remuneration Committees, the policy on remuneration and detailed information about the remuneration of the Executive and Non-Executive Directors of the Trust.

Annual statement on remuneration

Executive Directors (including the Chief Executive Officer)

The Board of Directors Remuneration and Nominations Committee has delegated responsibility to review and set the remuneration, allowances and other terms and conditions of the Executive Directors (including the Chief Executive Officer). The Trust's Executive Directors have the authority and responsibility for directing and controlling major activities of the Trust.

The remuneration policy for the Executive Directors ensures remuneration is consistent with market rates for equivalent roles in other NHS foundation trusts of comparable size and complexity. It also takes into account the performance of the Trust, comparability of employees holding national pay and conditions of employment, pay awards for senior roles elsewhere in the NHS and pay/price changes in the broader economy and any changes to individual roles and responsibilities, as well as overall affordability. Decisions regarding individual remuneration are made with due regard to the size and complexity of the senior managers' portfolios of responsibility. In setting the remuneration levels, the Committee balances the need to attract, retain and motivate directors of the quality required.

The Executive Directors salary is a 'spot' salary within an agreed remuneration framework.

The Trust follows the NHS England guidance of pay for very senior managers (VSMs) in NHS Trusts and Foundation Trusts issued in March 2018.

The Trust does not make termination payments to Executive Directors which are in excess of contractual obligations. There have been no such payments during the past year.

The Committee refers to the NHS Providers' annual salary benchmarking survey analysis, together with publicly available information about trends within the NHS and the broader economy.

Non-Executive Directors (including the Chair)

The Council of Governors Remuneration Committee has delegated responsibility to recommend to the Council of Governors the remuneration levels for the Non-Executive Directors (including the Chair), including allowances and the other terms and conditions of office in accordance with all relevant legislation and regulations. The remuneration levels for all appointments take into account the NHS England remuneration structure for Non-Executive Directors (November 2019).

In reviewing the remuneration of the Chair and Non-Executive Directors, the Committee balances the need to attract, retain and motivate directors of the quality and with the appropriate skills and experience required on the Board to meet current and future business needs without paying more than is necessary and at a level which is affordable to the Trust.

The remuneration policy for the Trust's Non-Executive Directors is to ensure remuneration is consistent with market rates for equivalent roles in foundation trusts of comparable size and complexity, taking account of NHS Providers' annual salary benchmarking survey analysis and NHS England guidance. It

also takes into account the pay and employment conditions of staff in the Trust, the performance of the Trust, and the time commitment and responsibilities of the Non-Executive Directors and Chair, as well as succession planning requirements.

The Chair and Non-Executive Directors are entitled to receive remuneration only in relation to the period for which they hold office; there is no entitlement to compensation for loss of office.

Decisions made during 2023/24

During the year, the Board of Directors Remuneration and Nominations Committee agreed (in respect of remuneration business):

- Approval of the quarterly contractual payments for the Chief Executive Officer on the basis of achievement of objectives
- Agreed secondment for the Executive Director of People and Culture to NHS England
- Approval of the responsibility allowance for the Executive Medical Director and for this to be pensionable
- Approval of remuneration and terms for interim positions in place during the year (namely Interim Executive Chief Nurse and Interim Chief People Officer)
- Approval of remuneration for the substantive appointment of Executive Chief Nurse and Executive Chief People Officer
- Approval of a five per cent inflationary uplift to the remuneration of Executive Directors backdated to 1 April 2023

Professor Sheila Salmon
Trust Chair and Chair of the Board of Directors Remuneration and Nominations Committee and Council of Governors Remuneration Committee Essex Partnership University NHS Foundation Trust
27 June 2024.

Senior managers' remuneration policy

Remuneration package components

The Executive Directors' (including the Chief Executive Officer) remuneration package consists of salary and the entitlement to NHS pension benefits or a Retention Bonus Scheme should they have reached their lifetime allowance and opted to withdraw from the NHS Pension Scheme. The Chief Executive Officer's remuneration package includes an annual earn back component which the Remuneration and Nomination Committee will be required to authorise on a quarterly basis. Executive Directors pay is inclusive of other payments such as overtime, long hours, on-call and stand by payments which do not feature in Executive Directors' remuneration.

Non-Executive Directors (including the Chair) are remunerated for an agreed number of days' work per month. There is no entitlement to the NHS pension scheme.

Remuneration package

Each Executive Director's salary is a 'spot' salary within an agreed remuneration framework. The salary levels are set to attract and retain appropriately skilled executives. In 2023/24, the Trust has engaged eight Executive Directors on Very Senior Manager (VSM) terms and conditions who are paid more than £150,000.

In 2023/24, the Trust applied a five per cent salary increase to Executive Director salaries in line with the NHS England 2023/24 annual pay increase recommendation for Very Senior Managers (VSMs).

Remuneration package framework for Executive Directors (including the Chief Executive Officer)

The Trust follows the NHS Improvement guidance on pay for Very Senior Managers (VSMs) in NHS Trusts and Foundation Trusts issued in March 2018. Thus, for any new appointments above the threshold of £150,000 per annum, the provisions within that guidance relating to "earn-back" and performance pay bonuses aligned to achievement of objectives agreed by the Board have been enacted.

- Executive Director contracts stipulate that if monies are owed to the Trust, the post-holder will agree to repay them by salary deduction or by any other method acceptable to the Trust. The Trust may withhold payment in circumstances of unauthorised absence. This policy applies to all Executive Directors. For the 2023/24 financial year, there are no instances of monies owed to or by the Trust in respect of Executive Directors.

The Trust's Retention Bonus Scheme remains available and is in place where an individual has reached their lifetime allowance based on his/her NHS Pension entitlement and, after seeking financial advice, ceases to be an active member of the NHS Pension Scheme. The Trust will make a retention payment equal to 7.5 per cent of an individual's annual basic salary. No allowances, on call supplements or other additional payments will be taken into account. This retention payment will be taxable and paid in two instalments of 3.75 per cent six months in arrears of the 30 September and 31 March in each financial year ("a Qualifying Date") in the next payroll run after a Qualifying Date.

Also as part of the Scheme, the Trust will award an additional five days' paid annual leave earned in arrears for each six months of continued employment, up to a maximum of ten days per financial year. This annual leave cannot, under any circumstances, be converted in to a cash payment; it must be taken before the individual's employment ends. It should be noted that this scheme is available for all staff who may have reached their lifetime allowance, not just Executive Directors.

The key differences between the Trust's policy on Executive Directors' remuneration and its general policy on employees' remuneration are:

- Salary - the Trust appoints Executive Directors on a range of spot salaries within an agreed remuneration framework, i.e. salaries with no incremental progression

- Notice period - Executive Directors are expected to give six months' notice of termination of employment. This is in recognition of the need to have sufficient time to recruit a replacement or alternatively to appoint to a different post
- Pay review - the Board of Directors Remuneration Committee determines whether or not to award cost of living pay awards to Executive Directors

Chief Executive Officer remuneration terms includes a non-recurrent "earn-back" which is subject to achieving objectives set and overseen by the Board of Directors Remuneration and Nomination Committee.

Non-Executive Directors (including the Chair)

The remuneration policy for the Trust's Non-Executive Directors is to ensure remuneration is consistent with market rates for equivalent roles in Foundation Trusts of comparable size and complexity. The policy takes into account the *Structure to align remuneration for chairs and non-executive directors of NHS trusts and foundation trusts"* published by NHS England in November 2019, whilst maintaining the ability for Governors to set the remuneration levels of the Chair and Non-Executive Directors. The remuneration levels take into account the pay and employment conditions of staff in the Trust, the performance of the Trust and the time commitment and responsibilities of Non-Executive Directors and Chair, as well as the skills, knowledge and experience required of the Board to meet business needs and succession planning.

Service contract obligations

The Trust is obliged to give Executive Directors six months' notice of termination of employment, which matches the notice expected of Executive Directors from the Trust. The Trust does not make termination payments beyond its contractual obligations, which are set out in the contract of service and related terms and conditions. Executive Directors' terms and conditions, with the exception of salary, shadow the national Agenda for Change arrangements, inclusive of sick pay and redundancy arrangements and do not contain any obligations above the national level.

Policy on payment for loss of office

Executive Directors' service contracts contain a requirement for the Trust to provide six months' notice of termination to directors. In turn, it requires Executive Directors to provide six months' notice to the Trust if they resign from its service. The Trust retains the right to make payment in lieu of the notice period, be it in part or for the whole period, where it considers it is in the Trust's interest to do so. Any decision would be taken by the Board of Directors Remuneration and Nominations Committee.

Executive Directors are covered by the same policy in terms of conduct and capability as other Trust staff. If found to have engaged in gross misconduct or committed any act or omission which breaches the trust and confidence of the Trust, they can be summarily dismissed, i.e. their contract would be terminated without notice and/or compensation. In cases of termination due to organisational change, Executive Directors are covered by the national Agenda for Change arrangements for redundancy for NHS staff. This states that one month's pay will be provided for each complete year of reckonable service in the NHS without a break of 12 months or more. Limits are set on this payment. A month's pay for this purpose is subject to a total annual earnings floor of £23,000 and a cap of £80,000.

Statement of consideration of employment conditions elsewhere in the Trust

The Trust's Board of Directors Remuneration and Nominations Committee carries out an annual review of pay and terms and conditions for Executive Directors. This includes having regard to salary and the remuneration package as a whole. Salary levels are set taking into account the need to recruit and retain able directors and balancing that against a proper regard for use of public funds. In setting salary levels, the Remuneration Committee satisfies itself that the salary is competitive with other NHS providers of a similar constitution. The Remuneration and Nominations Committee will also review the pay progression framework in light of the current and emerging economic environment. There is no performance based progression in place in the Trust, although performance is managed by a robust appraisal and supervision framework. Trust Executive Directors are subject to capability arrangements including annual appraisal and 360 degree appraisal feedback.

Annual Report on Remuneration

This section covers the remuneration of the most senior managers of the Trust – those people who have the authority and responsibility for controlling the major activities of the Trust. In effect, this means the Board of Directors, including both Executive Directors (including the Chief Executive Officer), Non-Executive Directors (including the Chair) and those in attendance at the Board.

Information is also provided about the Remuneration Committees, the policy on remuneration and detailed information about remuneration of the Executive and Non-Executive Directors of the Trust.

The Trust has two Remuneration Committees - the Board of Directors Remuneration and Nominations Committee and the Council of Governors Remuneration Committee.

Board of Directors Remuneration & Nominations Committee

Membership of the Committee wholly comprises Non-Executive Directors who are viewed as independent, having no financial interest in matters to be decided. The Committee is chaired by the Trust Chair. The Chief Executive Officer will attend meetings of the Committee if invited to do so by the Chair of the Committee but may not receive any papers in relation to or be present when their remuneration or conditions of service are considered. The Executive Chief People Officer (including interim) will normally attend the meetings in an advisory capacity as required, depending on the agenda items to be discussed. The Senior Director of Corporate Governance (or their deputy) is the Committee Secretary. The Committee may commission independent professional advice if considered necessary. No consultants were commissioned during 2023/24 in respect of remuneration business. The Board of Directors Remuneration and Nominations Committee has the responsibility for setting the remuneration of the Executive Directors. Details are included in the section above on Senior Managers Remuneration Policy.

The Committee meets when necessary but at least annually.

Members of the Committee and the number of meetings attended by each member during the year are set out below.

Table 10: Board of Directors Remuneration and Nominations Committee Membership and Meeting Attendance 2023/24

Name	Role	Meetings Attended (actual/possible)
Professor Sheila Salmon	Chair	9/9
Rufus Helm	Non-Executive Director	6/9
Professor Stephen Heppell	Non-Executive Director	0/8
Dr Mateen Jiwani	Non-Executive Director	5/9
Diane Leacock	Non-Executive Director	2/2
Manny Lewis	Non-Executive Director	5/8
Loy Lobo	Non-Executive Director	9/9
Elena Lokteva	Non-Executive Director	7/8
Jenny Raine	Non-Executive Director	1/1
Janet Wood	Non-Executive Director	4/6

The Committee was attended by the following individuals, who provided support and advice to the Committee during the year:

- Paul Scott, Chief Executive Officer
- Susan Young, Interim Executive Chief People Officer
- Marcus Riddell, Interim Executive Chief People Officer

- Denver Greenhalgh, Senior Director of Governance and Corporate Affairs

During the year, the Committee received independent HR advice from the Head of Workforce and Organisational Development for NHS England's East of England region. The individual was appointed by NHS England, following a request from the Committee.

In addition to the considerations by the Committee listed under the Annual Statement of Remuneration on page 68 the Committee also:

- Received and noted the outcome of appraisals completed for the Executive Team (including the Chief Executive Officer), including the achievement of objectives and the establishment of new objectives for 2023/24
- Received and noted the outcome of mid-year reviews completed for the Executive Team (including the Chief Executive Officer), including progress with achieving objectives for 2023/24
- Approved of the appointment of two Executive Directors as Deputy Chief Executive Officers to replace the existing process of appointment based on cover requirements. These appointments did not attract any additional remuneration
- Approved the Equality, Diversity and Inclusion (EDI) objectives for the Board of Directors following internal identification of the need to strengthen the objectives to ensure greater ownership and achievement

Council of Governors Remuneration Committee

The Council of Governors has delegated responsibility to its Remuneration Committee for assessing and making recommendations to the Council in relation to the remuneration, allowances and other terms and conditions of office for the Chair and all Non-Executive Directors.

In addition, the Committee leads on the process to receive assurance on the performance evaluation of the Chair, working with the Senior Independent Director, and Non-Executive Directors, working with the Chair.

The Committee is chaired by the Lead Governor and may, as appropriate, retain external consultants or commission independent professional advice. In such instances, the Committee will be responsible for establishing the selection criteria, appointing and setting the terms of reference for remuneration consultants or advisers to the Committee.

No consultants were commissioned during 2023/24. At the invitation of the Committee, the Executive Chief People Officer and Senior Director of Corporate Governance will attend the meeting in an advisory capacity.

The Assistant Trust Secretary is the Committee Secretary. The Committee meets when necessary but at least annually.

Members of the Committee and the number of meetings attended by each member during the year are set out below.

Table 11: Council of Governors Remuneration Committee Membership and Meeting Attendance

Name	Role	Meetings Attended (actual/possible)
John Jones	Lead Governor	3/5
Lara Brooks	Staff Governor	3/4
Dianne Collins	Public Governor	2/3
Pippa Ecclestone	Public Governor	3/4
Paula Grayson	Public Governor	4/5
Pam Madison	Public Governor	4/5
Tracy Reed	Staff Governor	2/4

In addition to the considerations by the Committee listed under the Annual Statement of Remuneration on page 68 during the year the Council of Governors Remuneration Committee:

- Received assurance that the end of year appraisal process for Non-Executive Directors for 2023/24 had been satisfactorily completed in line with the performance review process agreed by the Council of Governors.
- Received assurance that appropriate objectives for 2023/2024 for the Chair and Non-Executive Directors were in place.
- Approved a recommendation to the Council of Governors for a Non-Executive Director to act as Non-Executive Director of another NHS Body. This was considered and agreed via email due to the Committee meeting not being quorate.

Table 12: Service Contracts: Executive Directors

Name	Role	Contract Start Date at Predecessor Trusts	Interim Board Contract Start Date	Substantive Board Contract Start Date
Paul Scott	Chief Executive	n/a	n/a	24-Aug-20
Alex Green	Executive Chief Operating Officer	n/a	n/a	10-Dec-20
Ann Sheridan	Executive Nurse	n/a	n/a	09-Feb-24
Frances Bolger	Interim Executive Nurse (Contract ended 01/03/2024)	n/a	01-Aug-23	N/a
Natalie Hammond	Executive Nurse (contract ended 28/07/2023)	09-Mar-15	01-Apr-17	25-Aug-17
Nigel Leonard	Executive Director of Major Projects and Programmes	01-Feb-14	01-Apr-17	25-Aug-17
Dr Milind Karale	Executive Medical Director	30-Jul-12	01-Apr-17	25-Aug-17
Trevor Smith	Executive Chief Finance and Resources Officer	n/a	n/a	18-Sep-20
Marcus Riddell	Interim Executive Director People and Culture	N/a	01-Jan-24	n/a
Marcus Riddell	Interim Chief People Officer(Contract ended 29/04/2023)	n/a	01-Dec-22	n/a
Susan Young	Interim Executive Director People and Culture (contract ended 15/01/2024)	n/a	16-Aug-23	n/a
Ruth Jackson	Honorary Interim Executive Director People and Culture (contract ended 05/09/24)		26-Jul-23	n/a

Sean Leahy	Executive Director People and Culture (left the Trust 02/07/2023)	n/a	n/a	06-Aug-19
Denver Greenhalgh	Senior Director of Governance and Corporate Affairs	n/a	n/a	14-Feb-22
Zephan Trent	Executive Director of Strategy, Transformation & Digital	n/a	n/a	01-Apr-22

Table 13: Service Contracts: Non-Executive Directors

Name	Role	Period of Office	Contract Start date at Predecessor Trusts	Start Date	End Date
Prof Sheila Salmon	Chair	7 years	n/a	01-Nov-17	31-Oct-24
Manny Lewis	Vice Chair	6 years	n/a	28-Feb-18	27-Feb-24
Loy Lobo	Vice Chair*	6 years	n/a	31-Mar-21	31-Mar-27
Dr Rufus Helm	Non-Executive Director	6 years	n/a	24-Jul-18	31-Jul-24
Janet Wood	Non-Executive Director	6 years	01-Nov-05	01-Oct-17	30-Sep-23
Dr Mateen Jiwani	Non-Executive Director	6 years	n/a	18-Jan-21	18-Jan-27
Prof Stephen Heppell	Non-Executive Director	2 years	n/a	30-Nov-22	11-Mar-24
Jenny Raine	Non-Executive Director	3 years	n/a	02-Jan-24	02-Jan-27
Diane Leacock	Non-Executive Director	2 years	n/a	04-Dec-23	04-Dec-25
Elena Lokteva	Non-Executive Director	3 years	n/a	20-Feb-23	20-Feb-26

*Vice Chair from 1 March 2024

Table 14: Non-Executive Directors Remuneration

Name	Role	Remuneration £0	Working Days	Additional Fees £0
Prof Sheila Salmon	Chair	51-55	11 per month	Nil
Manny Lewis	Vice Chair	15-20	4.5 per month	Nil
Loy Lobo	Vice Chair	15-20	4.5 per month	Nil
Dr Rufus Helm	Non-Executive Director	15-20	4 per month	Nil
Janet Wood	Chair of Audit Committee	15-20	4.5 per month	Nil
Dr Mateen Jiwani	Senior Independent Director	15-20	4 per month	Nil
Prof Stephen Heppell	NED	15-20	4 per month	Nil
Jenny Raine	NED	15-20	4 per month	Nil
Diane Leacock	NED	15-20	4 per month	Nil
Elena Lokteva	NED	15-20	4.5 per month	Nil

Executive Directors participating in Trust's Retention Bonus Scheme

		Total pay including salary and pensions benefits		
		23/24	22/23	21/22
Nigel Leonard	Executive Director of Major Projects and Programmes	170-175	165-170	160-165

Executive and Non-Executive Directors Expenses

Total Executive and Non-Executive Directors expenses incurred by the Trust during 2023/24 were £9,660 and were claimed by 16 Directors in post during the year (2022/23: £7,497 claimed by 16 Directors).

Table 15: Senior Managers Pay (Subject to audit)

		2023/24							
		Salary[1]	Other Remuneration[2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4&5]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Paul Scott[5]	Chief Executive	200 - 205	-	-	5 - 10	-	-	-	205 – 210
Alexandra Green	Executive Chief Operations Officer	160 - 165	-	-	-	-	37.5-40.0	-	200 – 205
Trevor Smith[5]	Executive Chief Finance Officer	165 - 170	-	-	-	-	-	-	165 – 170
Dr Milind Karale	Executive Medical Director	205 - 210	15 - 20	-	-	-	202.5-205.0	-	430 – 435
Nigel Leonard	Executive Director of Major Projects and Programmes	170 - 175	-	-	-	-	-	-	170 - 175
Professor Natalie Hammond	Executive Director of Nursing (until 31/07/2023)	50 - 55	-	-	-	-	-	-	50 – 55
Frances Bolger	Interim Executive Director of Nursing (01/08/2023 to 31/03/2024)	65 - 70	-	-	-	-	17.5 – 20.0	-	85 – 90
Ann Sheridan	Executive Director of Nursing (from 09/02/2024)	20 - 25	-	-	-	-	70.0 – 72.5	-	90 - 95

		Salary[1]	Other Remuneration [2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4&5]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Sean Leahy	Executive Director of People and Culture (until 02/07/2023)	40 - 45	-	-	-	-	-	-	40 – 45
Marcus Riddell	Acting Executive Director of People and Culture (April 2023, January to March 2024)	45 - 50	-	-	-	-	42.5 – 45.0	-	90 – 95
Susan Young	Executive Director of People and Culture (from 16/08/2023 to 14/02/2024)	60 -65	-	-	-	-	27.5 – 30.0	-	90 - 95
Zephan Trent	Executive Director of Strategy, Transformation and Digital	160 - 165	-	-	-	-	35.0 – 37.5	-	195 - 200
Denver Greenhalgh[5]	Senior Director of Governance and Corporate Affairs	140 - 145	-	-	-	-	-	-	140 - 145
Professor Sheila Salmon	Chair	50 – 55	-	-	-	-	-	-	50 – 55

		Salary[1]	Other Remuneration [2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4&5]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Manny Lewis	Non-Executive Director / Vice Chair	15 – 20	-	-	-	-	-	-	15 – 20
Janet Wood	Non-Executive Director (until 30/09/2023)	5 – 10	-	-	-	-	-	-	5 – 10
Loy Lobo	Non-Executive Director	15 – 20	-	-	-	-	-	-	15 – 20
Dr Mateen Jiwani	Non-Executive Director	15 - 20	-	-	-	-	-	-	15 - 20
Dr Rufus Helm	Non-Executive Director	15 – 20	-	-	-	-	-	-	15 – 20
Elena Lokteva	Non-Executive Director	15 - 20	-	-	-	-	-	-	15 - 20
Professor Stephen Heppell	Non-Executive Director (until 11/03/2024)	10 – 15	-	-	-	-	-	-	10 – 15
Jenny Raine	Non-Executive Director (from 02/01/2024)	0 - 5	-	-	-	-	-	-	0 - 5
Diane Leacock	Non-Executive Director (from 04/12/2023)	5 - 10	-	-	-	-	-	-	5 - 10

Table 16: Comparative table showing and Allowances of Senior Managers

		2022/23							
		Salary[1]	Other Remuneration[2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Paul Scott	Chief Executive	190 - 195	-	-	5 - 10	-	232.5–235.0	-	430 - 435
Alexandra Green	Executive Chief Operations Officer	155 - 160	-	-	-	-	40.0–42.5	-	195 - 200
Trevor Smith	Executive Chief Finance Officer	165 - 170	-	-	-	-	70.0–72.5	-	240 - 245
Dr Milind Karale	Executive Medical Director	200 - 205	20 - 25	-	-	-	45.0 – 47.5	-	270 - 275
Nigel Leonard	Executive Director of Major Projects and Programmes	165 -170	-	-	-	-	-	-	165 - 170
Professor Natalie Hammond	Executive Director of Nursing	155 - 160	-	-	-	-	65 – 67.5	-	220 - 225
Sean Leahy	Executive Director of People and Culture	165 - 170	-	-	-	-	-	-	165 – 170
Marcus Riddell	Acting Executive Director of People and Culture (from 01/12/2022)	45 - 50	-	-	-	-	32.5 – 35.0	-	75 - 80

		Salary[1]	Other Remuneration[2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Zephan Trent	Executive Director of Strategy, Transformation and Digital	150 - 155	-	-	-	-	32.5 – 35.0	-	185 - 190
Denver Greenhalgh	Senior Director of Governance and Corporate Affairs	130 - 135	-	-	-	-	217.5–220.0	-	350 – 355
Professor Sheila Salmon	Chair	50 – 55	-	-	-	-	-	-	50 – 55
Manny Lewis	Non-Executive Director / Vice Chair	15 -20	-	-	-	-	-	-	15 -20
Janet Wood	Non-Executive Director	15 – 20	-	-	-	-	-	-	15 – 20
Amanda Sherlock	Non-Executive Director (until 30/09/2022)	5 – 10	-	-	-	-	-	-	5 – 10
Jill Ainscough	Non-Executive Director (from 30/11/2022)	5 - 10	-	-	-	-	-	-	5 – 10
Dr Rufus Helm	Non-Executive Director	15 - 20	-	-	-	-	-	-	15 - 20
Dr Alison Rose-Quirie	Non-Executive Director (until 30/10/2022)	5 – 10	-	-	-	-	-	-	5 – 10
Dr Mateen Jiwani	Non-Executive Director	15 -20	-	-	-	-	-	-	15 -20

		Salary[1]	Other Remuneration[2]	Taxable Benefits	Annual Performance Related Bonuses[3]	Long Term Performance Related Bonuses	All Pension Related Benefits[4]	Exit Package	Total
		£000	£000	£	£000	£000	£000	£000	£000
Loy Lobo	Non-Executive Director	15 - 20	-	-	-	-	-	-	15 - 20
Professor Stephen Heppell	Non-Executive Director (from 20/11/2022)	5 – 10	-	-	-	-	-	-	5 – 10
Elena Lokteva	Associate Non-Executive Director (from 01/03/2023)	0 - 5	-	-	-	-	-	-	0 - 5

Note 1 - Due to the demands and challenges placed on the NHS many staff, although encouraged to do so, were unable to take their full annual leave entitlement. The Trust made the decision to give staff the opportunity to sell some of their annual leave, which two Executive Directors opted to do so (2022/23: three Directors). This has increased their salary in excess of the agreed pay award.

Note 2 – The Medical Directors salary has been split to show the value of clinical excellence awards separately to salary.

Note 3 - When appointed in August 2020, the externally agreed salary package for the Chief Executive contained a contractual non-pensionable quarterly element of £2,500 dependent upon successful delivery against objectives, as determined by review undertaken by the Board of Directors Remuneration and Nominations Committee. Carrying equal weighting, those objectives were to become fully established in the role of CEO, to review Trust Strategy, objectives and governance, to ensure the Trust is set up to deliver outstanding services, to review Executive Portfolios ensuring they are set up to deliver against a revised Corporate Strategy and revised Corporate Objectives and to maintain stability in the organisation throughout winter and COVID-19 pressures.

During the year, the Remuneration Committee reviewed the performance of the CEO against agreed objectives, and approved the payment of contractual non pensionable pay totalling £7,500.

Note 4 - The value of pension benefits accrued during the year (column entitled 'all pension related benefits' in the Senior Manager Pay Table above), 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 provide 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.

Note 5 – Three senior managers were affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted for a zero.

Total Pension Entitlement

Table 17: Total Pension Entitlement (subject to audit) 2023/24

		2023/24				
		Real Increase/ (Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2024	Cash Equivalent Value at 31 March 2023	Real Increase in cash equivalent Transfer Value	Cash Equivalent Value at 31 March 2024[1]
		£000	£000	£000	£000	£000
Paul Scott	Chief Executive	10 - 15	200 - 205	952	138	1,212
Alex Green	Executive Chief Operations Officer	0 - 5	25 – 30	308	70	431
Trevor Smith	Executive Chief Finance Officer	25 – 30	300 – 305	1,612	157	1,955
Dr Milind Karale	Executive Medical Director	75 – 80	215 – 220	875	433	1,423
Marcus Riddell	Acting Executive Director of People and Culture (April 2023, January to March 2024)	0 – 5	10 – 15	74	11	134
Zephan Trent	Executive Director of Strategy, Transformation and Digital	0 – 5	5 – 10	24	20	67
Denver Greenhalgh	Senior Director of Governance and Corporate Affairs	25 - 30	210 – 215	980	193	1,294

		Real Increase/ (Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2024	Cash Equivalent Value at 31 March 2023	Real Increase in cash equivalent Transfer Value	Cash Equivalent Value at 31 March 2024[1]
		£000	£000	£000	£000	£000
Frances Bolger	Interim Executive Director of Nursing (01/08/2023 to 31/03/2024)	0 – 5	0 – 5	0	6	23
Ann Sheridan	Executive Director of Nursing (from 09/02/2024)	0 – 5	80 – 85	441	8	558
Susan Young	Executive Director of People and Culture (from 16/08/2023 to 14/02/2024)	0 - 5	10 - 15	159	8	209

Table 18: Comparative table showing Total Pension Entitlement 2022/23

		2022/23				
		Real Increase/ (Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2023	Cash Equivalent Value at 31 March 2022	Real Increase in cash equivalent Transfer Value	Cash Equivalent Value at 31 March 2023[1]
		£000	£000	£000	£000	£000
Paul Scott	Chief Executive	35 - 40	170 - 175	761	163	952
Alex Green	Executive Chief Operations Officer	0 - 5	20 - 25	249	29	308
Trevor Smith	Executive Chief Finance Officer	5 - 10	250 - 255	1,458	85	1,612
Dr Milind Karale	Executive Medical Director	0 - 5	125 -130	785	47	875
Professor Natalie Hammond	Executive Director of Nursing	5 - 10	195 - 200	1,055	66	1,175
Marcus Riddell	Acting Executive Director of People and Culture (from 01/12/2022)	0 - 5	5 - 10	49	2	74
Zephan Trent	Executive Director of Strategy, Transformation and Digital	0 - 5	0 - 5	0	4	24
Denver Greenhalgh	Senior Director of Governance and Corporate Affairs	35 -40	165 - 170	738	196	980

Information for some Directors is excluded from the Total Pension Entitlement tables due to Directors choosing not to be covered by the pension arrangements during the reporting years.

Note 1. 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.

Fair pay multiple (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. HM Treasury guidance states that for the purpose of fair pay disclosures, 'employees' includes substantive, agency and other temporary staff, but not consultancy.

The banded remuneration of the highest paid Director in the Trust in the financial year 2023/24 was £225,000 to £230,000 (2022/23: £225,000 to £230,000). This is an increase between years of 0.2% (2022/23:1.2% reduction).

Total remuneration includes salary, non-consolidated performance related pay and 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 annualised full time remuneration in 2023/24 was from £3,000 to £276,000 (2022/23: £8,000 to £328,000). 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 a reduction of 1.6% with 2022/23 including the non-consolidated pay award in line with the national agreement. Five employees (of which two are agency staff) have calculated remuneration in excess of the highest-paid director in 2023/24 (2022/23: 11 employees of which 10 are agency).

The remuneration of the employee at the 25% 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 Trust's workforce.

Table 19: 2023/24 Pay Ratio

	25th Percentile	Median	75th Percentile
Salary component of pay	£24,336	£28,407	£42,618
Total pay and benefits excluding pension benefits	£24,336	£28,976	£42,894
Pay and benefits excluding pension: pay ratio for highest paid Director	9:1	8:1	5:1

Table 20: 2022/23 Pay Ratio

	25th Percentile	Median	75th Percentile
Salary component of pay	£25,146	£29,237	£43,083
Total pay and benefits excluding pension benefits	£25,155	£29,645	£43,674
Pay and benefits excluding pension: pay ratio for highest paid Director	9:1	8:1	5:1

Loss of Office Payments (subject to audit)

The Trust did not make any payments to Senior Managers in respect of loss of office during 2023/24.

Paul Scott Chief Executive
Essex Partnership University NHS FT
27 June 2024

STAFF REPORT

STAFF COSTS (SUBJECT TO AUDIT)

During 2023/24, the Trust incurred staffing costs of £389.2 million, which can be analysed as follows between permanent staff and other staff:

Table 21: Staff Costs 2023/24

	Permanent staff £000	Other staff £000	Total staff £000
Salaries and wages	279,070	3,610	**282,680**
Social security costs	30,465	-	**30,465**
Apprenticeship levy	1,417	-	**1,417**
Pension costs (employer contributions to NHS Pension Scheme)	32,324	-	**32,324**
Cost (employer contributions paid by NHS England on the Trust's behalf at 6.3%)	14,060	-	**14,060**
Termination benefits	169	-	**169**
Temporary staff – agency/contract staff	-	28,132	**28,132**
Total staff costs	**357,505**	**31,742**	**389,247**

These total staff costs are categorised in note 6 to the Annual Accounts between employee expenses (staff and Executive Directors), research and development, education and training and redundancy and notes 10 and 11 as part of intangible assets and property, plant and equipment costs for the year.

Average staff numbers (subject to audit)

During 2023/24, the Trust employed an average of 7,445 staff as follows:

Table 22: Average Staff Numbers 2023/24

	Permanent staff (WTE*)	Other staff (WTE*)	Total staff (WTE*)
Medical and dental	278	87	**365**
Ambulance staff	5	-	**5**
Administration and estates	1,691	38	**1,729**
Healthcare assistants and other support staff	2,261	113	**2,374**
Nursing, midwifery and health visiting staff	1,973	150	**2,123**
Nursing, midwifery and health visiting learners	8	-	**8**
Scientific, therapeutic and technical staff	703	36	**739**
Social care staff	95	7	**102**
Total average staff numbers	**7,014**	**431**	**7,445**

*WTE (Whole Time Equivalent) denotes the total number of hours of all post holders in the staff group (whether part-time or full-time) divided by the full-time hours of a role in the staff group. For example, a member of staff contracted to work 18.75 hours per week in a role with full time hours of 37.5 would constitute 0.5WTE.

Gender Analysis

Our workforce profile is similar to many NHS Foundation Trusts in that 49 per cent of our staff are over the age of 46 and our workforce is predominantly female. This is detailed further in the table below:

Table 23: Workforce profile

Staff group:	Total	Gender		Age			
		Female	Male	<25	26-45	46-65	>65
Board of directors	18	8	10	0	3	14	1
Senior managers	46	28	18	0	13	30	3
Doctors and dentists	335	163	172	3	205	117	10
Nursing	1961	1593	368	69	881	976	35
Other healthcare staff	2685	2135	550	200	1366	1066	53
Support staff	1827	1449	378	110	656	964	97
All employees	6872	5376	1496	382	3124	3167	199
Percentage		78.2%	21.8%	5.6%	45.5%	46.1%	2.9%

Table 24: Ethnic Diversity

Percentage difference between Board voting members and its overall workforce	White	BME	Percentage difference between the Board Executive Membership and its overall workforce	White	BME
Board Members	60%	33.3%	Board Members	80%	20%
Overall Workforce	68.7%	29.2%	Overall Workforce	68.7%	29.2%
Percentage Difference	-8.7%	4.1%	Percentage Difference	11.3%	-9.2%

Note. Data from Workforce Race Equality Standard based on 12-month period April 2023 to March 2024. A score of zero = equality of representation between membership and workforce. Minus numbers caused by larger percentage in overall workforce.

Sickness absence

In accordance with Treasury guidance, all public bodies must report sickness absence data on a consistent basis per calendar year, in order to permit aggregation across the NHS. The Trust is required to use the published statistics, which are produced using data from the Electronic Staff Record (ESR) Data Warehouse. The latest publication, covering up to November 2023, is available from the NHS Digital website.

Table 25: Sickness absence

Statistics published by NHS Digital from ESR Data Warehouse Based on the 12 month period from December 2022 to November 2023				
FTE - days available	FTE Days recorded as sickness absence	Average FTE 2023	Average sick days per FTE	Average sickness percentage
2,069,763.02	107,343.55	5,677.98	18.9	5.18%

An average of 18.9 working days were lost per staff member in a 12-month period ending 30 November 2023. This is a reduction on the previous year's reported figures. The figures have been calculated on a 12-month basis between December 2022 and November 2023 because the latest data available from NHS Digital was published in November 2023. This data therefore does not fully align to the Trust's financial year, which starts on 1st April 2023 and ends on 31 March 2024.

The Trust retains a strong focus on supporting the health and well-being of our colleagues, in the prevention of sickness absence, with a dedicated page on the Trust's intranet detailing the range of health and well-being resources available to colleagues and managers. The Trust has a Health and Well-Being Toolkit for managers and colleagues to support self-care and compassionate manager conversations, individual wellness plans are a composite part of the Trust's 1:1 Support Policy. Where colleagues are absent from work for reasons of ill health, the Trust's Management of Sickness and Ill Health Procedure (currently under review) ensures that arrangements are in place for the management of ill health, and other absence, from work in a manner that minimises the impact of ill-health on both the worker and Trust services.

The Trust has a reasonable adjustments procedure and passport in place to ensure it meets its legal, moral and social obligations to make reasonable adjustments for people who are disabled or have a long term health condition in accordance with the requirements of the Equality Act 2010.

Managers with responsibility for managing people are required to undergo specific sickness absence training as part of their management development programme, regular Sickness Task and Finish Groups are held within operational services, which are supported by a member of the HR team to support managing employee wellbeing and sickness absence.

Turnover

For further details on the Trust's average turnover in 2023/24 please refer to data on the NHS Digital website.

Workforce equality and inclusion

We are committed to challenging discrimination, both within our workforce and to people who use our services. The People and Education Strategy and Trust Behavioural Framework are key documents which support the reduction of inequality and promote a respectful, open and equitable culture within our organisation. Our Director of Employee Experience leads the delivery of these actions, championed by our Executive Team who sponsor and drive the implementation of actions in their services.

The Trust is delivering against the NHS EDI Improvement Plan, which outlines a strategic approach to enhance equality, diversity and inclusion within the NHS workforce.

Supporting this work, the Trust uses workforce data to inform our reporting and strategy. This includes the Public Sector Equality Duty (PSED), Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and the Equality Delivery System (EDS). The EDS has rated EPUT as an "achieving organisation" based on feedback from stakeholders.

A bi-monthly Equality and Inclusion Committee reviews and drives EDI across the Trust, with input from our five staff equality networks and senior leads across the organisation. The EDI Committee reports into the People and Culture Committee (PECC), which supports and challenges progress against our EDI commitments.

Involvement and recognition

The Trust has five active staff equality networks, which are key to us engaging the whole workforce in our ambition for an inclusive culture:

- Ethnic Minority and Race Equality *(EMREN)*
- Disability and Mental Health *(including long term conditions and neurodiversity)*
- Lesbian, Gay, Bi, Trans and any other gender or sexual identity *(LGBTQ+),*
- Faith and Spirituality
- Gender Equality

In addition, the Trust's staff engagement champions network meets regularly to promote EDI initiatives, share feedback from services, and promote inclusive behaviour.

Each network has a communications lead to support event promotion and development and a nominated executive sponsor who champions its value and work and supports its initiatives.

Staff concerns

The Trust has policies, procedures, systems and processes to ensure that all staff are able to raise concerns quickly and have them resolved in a timely manner.

Examples include:

- The Trust's Grievance, Dignity and Respect Policy and Procedure contains robust mechanisms for dealing with grievances and complaints relating to dignity at work (bullying, harassment and discrimination).
- The Trust's Raising Concerns, Whistleblowing Policy and Procedure enables staff to speak up freely and raise concerns.

- Disciplinary and Capability policies and procedures with a focus on creating a culture where staff feel supported and empowered to learn when things do not go as expected, rather than feeling blamed. This aim is supported by a disciplinary decision making tool to support any formal decision making and
- Encourage informal mechanisms and learning for addressing concerns.

There is a focus on dealing with concerns informally where possible and as quickly as possible to ensure staff are supported. In-house trained mediators are in place to support these processes.

The Trust works in partnership with Trade Unions and local staff side representatives to ensure our mutually agreed policies are applied fairly and equitably and in accordance with the principles in the NHS People Promise of valuing, caring for, listening to, educating and rewarding NHS people.
Staff are required to complete e-learning training on how to raise concerns. Specific training for managers is provided as part of the management development programme. There is a good range of mechanisms for staff to share concerns, including regular briefings with the Chief Executive, staff engagement networks and surveys, as well as through raising concerns with a senior manager in the Trust.
Our Behaviours Framework seeks to embed our values in all aspects of work life and our policies and procedures. Staff are required to complete e-learning training covering values and behaviours in support of the Trust's Behaviours Framework. The Trust's Management Development programme's core modules include Grievance, Dignity and Respect and Conduct training for managers and aspiring managers.

In 2023, EPUT signed up to NHS England's Sexual Safety Charter, committing to a zero-tolerance approach to any unwanted, inappropriate and/or harmful sexual behaviours towards our workforce. As part of this work, engagement has and continues to take place to raise awareness and to identify potential blockers to victims or witnesses in reporting incidents. A new process to report sexual safety concerns was co-designed with staff, featuring a 24/7 reporting line for rapid escalation to senior managers and subject matter experts for review and action.

Freedom to Speak Up

Building on our culture and engagement work, at EPUT we encourage a working environment where we can all speak up and speak out about issues that concern us.

The Freedom to Speak Up movement supports the development of a safe, open culture for people to raise concerns about patient / worker safety or any issues getting in the way of performing ones role.

Colleagues are be able to confidently raise any concerns or issues within the trust, in the knowledge they will be appreciated for doing so, listened to and appropriate action taken where necessary with lessons learnt and changes made.

The Trust's Freedom to Speak Up (Whistleblowing) Policy has been reviewed and updated to adopt the national policy. As part of our commitment to creating an open culture in which colleagues feel able to speak up about anything that may be concerning them the Trust has been the first to require all staff to complete the three national e-learning modules of Speak Up, Listen Up and Follow Up.

The Principal Freedom to Speak Up Guardian leads the Freedom to Speak Up service, which is an additional safety net to other day-to-day reporting routes. The Guardian is supported by an Executive Director, Non-Executive Director and Senior Leaders.

As the message around the importance of Speaking Up, 'everyone has a voice' and 'what we do together matters' becomes embedded, so too has the number of people speaking up through the FTSU service over the last year. Encouragingly, more people are speaking up openly or in confidence than anonymously.

Table 26: Freedom to Speak Up Activity 2023/24

	People Speaking Up	Patient Safety	Worker Safety / well-being	Spoke Up Openly	Spoke Up In Confidence	Spoke Up Anonymously
Q1	99	13	17	24	66	9*
Q2	36	8	12	18	14	4
Q3	85	14	26	57	13	15
Q4	34	13	14	17	9	8
	254	**48**	**69**	**116 (46%)**	**102 (40%)**	**36 (14%)**

**Too late to amend NGO / Model Hospital data but should read 9 (not 15 as previously stated)*

Informing and consulting with staff

The Trust has in place a Joint Partnership Agreement that establishes the principles of partnership working between the Trust and its recognised Trade Unions and local staff side representatives. The agreement provides a recognised means of consultation and negotiation to ensure co-operation between the parties on matters of mutual concern with a view to the promotion of the best interests of our workforce.
The Trust informs, listens and negotiates with its recognised Trade Unions through a Joint Partnership Committee (JPC), which meets monthly, and a Joint Local Negotiating Committee (JLNC), for medical and dental staff, which meets bi-monthly.

Both committees have local and regional representative attendance and discuss the strategic overview of the workforce, policies, quality service delivery and service transformation. The Trust also has in place a Policy Sub-Committee, which meets monthly to review and agree policies and procedures in partnership for ratification.

The Trust has in place a robust Organisational Change Policy, reviewed and updated in March 2024 in partnership with staff side representatives, which establishes a framework for common understanding of the change management process for management, staff and staff side representatives. The core principles, which underpin the Trust's practice in the management of organisational change, are:

- Consulting and communicating in meaningful way
- Maximising staff involvement and participation in the process of change
- Ensuring decision making is based on clear, consistent and fair criteria
- Implementing measures aimed at avoiding redundancy wherever possible
- Ensuring equality of opportunity for staff, through the application of best practice in relation to employment law
- Recognising the abilities, range of experience and competencies of all staff
- Providing opportunities for support and development of staff affected by change

NHS Staff Survey

The NHS staff survey is conducted annually. From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise' and retains the two previous themes of engagement and morale. These replaced the ten indicator themes used in the previous years. All indicators are based in a score out of 10 for specific questions with the indicator score being the average of those.
The response rate to the 2023/24 survey among trust staff was 44% (2022/23: 42%).

Scores for each indicator together with that of the survey benchmark group (Mental Health & Learning Disability and Mental Health, Learning Disability & Community Trusts) are presented below.

Table 27: 2021/22 to 2023/24

Indicators ('People Promise' elements and themes)	2023/24		2022/23		2021/22	
	Trust Score	Benchmarking Group Score	Trust Scores	Benchmarking Group score	Trust Scores	Benchmarking Group score
We are compassionate and inclusive	7.5	7.5	7.5	7.5	7.5	7.5
We are recognised and rewarded	6.3	6.4	6.2	6.3	6.3	6.3
We each have a voice that counts	6.9	7.0	6.9	7.0	6.9	7.0
We are safe and healthy	-	-	6.2	6.2	6.3	6.2
We are always learning	5.9	5.9	5.7	5.7	5.6	5.6
We work flexibly	6.8	6.8	6.8	6.7	6.7	6.7
We are a team	7.2	7.1	7.1	7.1	7.1	7.1
Staff engagement	7.1	7.1	7.0	7.0	7.1	7.0
Morale	6.2	6.1	6.1	6.0	6.1	6.0

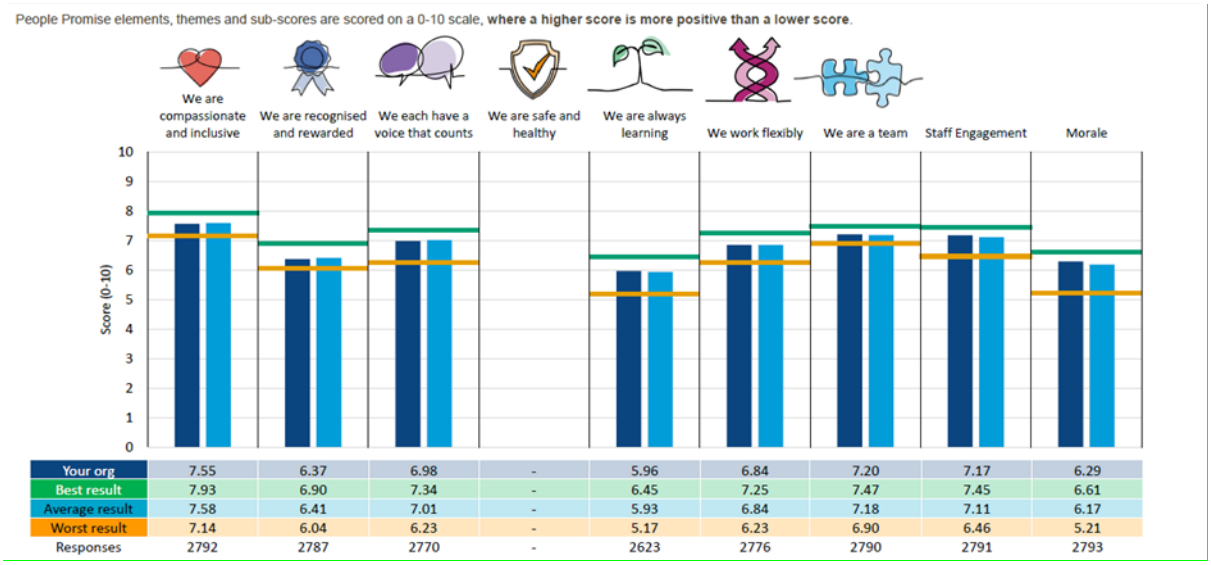
Figure 7 demonstrates EPUT's performance in each People Promise element and Theme in comparison to the average, best and worst in our benchmark group. EPUT scored:

- **Better than Average** in 2 People Promise Elements (Staff Engagement, Morale)
- **Average** in 6 People Promise Elements (We are compassionate and inclusive, We are recognised and rewarded, We each have a voice that counts, We are always learning, We work flexibly and We are a team)
- **Worse than Average** – no scores performed worse than average

Note:

Results for People Promise 4 is absent due to a data quality issue experienced by our provider, Picker, due to a technical error involving some respondents who completed the survey on an iPhone. Two sub-scores for this People Promise (Healthy and Safety Climate, Negative Experiences) have also been impacted, due to the technical error impacting results for Q13a-d. This issue has affected all Trusts who Picker provide services to, and as such, the Survey Coordination Centre and NHS England are actively investigating. The Trust will be update on this directly as soon as possible. The Trust has been assured that no other staff completing the survey by other means have been impacted, nor have other questions from the 2023 survey. The Survey Coordination Centre will be implementing a resolution for future surveys to prevent a repeat of this technical issue.

Figure 7: 2023 People Promise Results



The table below (Figure 8) demonstrates the results of significance testing conducted on each theme in both 2022 and 2023.

Figure 8:

People Promise elements	2022 score	2022 respondents	2023 score	2023 respondents	Statistically significant change?
We are compassionate and inclusive	7.49	2541	7.55	2792	Not significant
We are recognised and rewarded	6.22	2531	6.37	2787	Significantly higher
We each have a voice that counts	6.90	2518	6.98	2770	Not significant
We are safe and healthy	6.23	2528	-	-	-
We are always learning	5.74	2411	5.96	2623	Significantly higher
We work flexibly	6.77	2522	6.84	2776	Not significant
We are a team	7.09	2535	7.20	2790	Significantly higher
Themes					
Staff Engagement	7.04	2538	7.17	2791	Significantly higher
Morale	6.12	2540	6.29	2793	Significantly higher

Within the People Promise elements and Themes there are specific highlights and areas of focus.

Our results in the 2023 NHS national staff survey show progress in achieving our strategic objective to help each other to be the best we can be. 44 per cent of eligible staff participated this year.

EPUT performed better than the benchmarked average in two NHS People Promise elements, and in line with the average with the seven remaining measures. We saw improvements in scores related to line management and autonomy and control, compassionate leadership and compassionate culture. For the second year in a row, our scores for appraisals all improved, including numbers of staff who had an appraisal, positive perceptions of the appraisal helping them do their job, agree clear objectives and being valued by the organisation. We have also seen improvements in the morale category, with all three questions scoring significantly higher than the benchmark average.

There has been a decrease in staff who reported that they had experienced discrimination based on grounds of gender, religion, sexual orientation, disability and age, with gender, disability and age discrimination all scoring significantly better than the national average. We also saw an improvement in staff reporting harassment, bullying or abuse at work, and for the first time in five years our score was above our benchmarked average.

Areas for improvement include a significant increase in discrimination reported based on ethnic background. For staff who reported experiencing discrimination, 62.64 per cent reported discrimination on the grounds of their ethnicity, 17 per cent higher than the benchmarked average. At the same time, 9.63 per cent of staff reported personally experiencing discrimination at work from patients/service users, relatives or other members of the public, worse than the benchmarked average of 7.22%.

Our priorities for 2024 include increasing the number of our staff who participate in the survey, so that it more fully reflects views from across all our services. We will undertake a 100-day sprint from mid-summer into early autumn, ahead of the October survey go-live date. Work will including face-to-face engagement across operational sites, making access to the survey easier for frontline staff, and better communication to staff around the changes we have made as a result of feedback provided in the survey.

We will also focus on delivery against our EDI plan, with a strong focus on tackling racism from colleagues and patients. We are engaging with frontline staff and patients to understand the triggers for mental health patients and how to use visual and conversational deterrents to ensure it is understood that racist abuse is unacceptable. We are also developing behaviours contracts and are co-designing a respect pledge for anyone who uses EPUT's services.
A further priority is continuing with our comprehensive programme of work to promote the Freedom to Speak Up (FTSU) process. Following feedback from managers of their experiences of FTSU, we have updated the FTSU policy and e-learning training the majority of staff have now completed. We are now developing a FTSU champion network to provide greater visibility and coverage across our sites and services, as well as further reminders of the FTSU process for staff and a Board reflection tool.

Quarterly Pulse Survey

The National Quarterly Pulse Survey (NQPS) takes place three times per year and is a consistent and standardised internal and external measure of staff experience. The survey is open for one month in Q1, Q2 and Q4, with Q3 being the NHS Staff Survey. The survey consists of the nine questions, grouped into themes of motivation, advocacy, and involvement

Figure 28: Survey response rate throughout 2023/24

NQPS Window	Responses
Q1 2024/25 (April)	390
Q2 2023/24 (July)	605
Q4 2023/24 (January)	587

Responses from the survey are communicated across the organisation via all-staff communication channels. Results are also reported into the Executive Team, as well as the monthly Engagement Champions Network, which is comprised of colleagues across the Trust who are committed to increasing engagement. Reports are broken down into directorates to provide insight into the experience of staff who work in different areas of the Trust.

Our Public Sector Equality Duty, Equality Delivery System and Workforce Race and Disability Equality Standard reports are all available here: https://eput.nhs.uk/about-us/equality-and-inclusion/

Gender Pay Gap

As a Trust, we work to reduce the Gender Pay Gap for our employees, and publish our reporting for this on our website: https://eput.nhs.uk/about-us/equality-and-inclusion/.

Health and safety

We recognise the need for the effective management of health, safety and security. Day-to-day management is undertaken by service managers with expert support from the Health & Safety/Violence Abuse Prevention and Reduction team and staff according to their level of responsibility.

The Trust's Corporate Statement and Policy on Health and Safety (RM01), which has been reviewed this year, demonstrates a clear organisational structure for the management of Health and Safety. It sets out how the Board of Directors fulfils its statutory obligations and ensures the identification of control measures to suitably reduce health, safety, security and ligature risks so far as is reasonably practicable and as required by the following legislation:

- Health and Safety at Work etc. Act 1974
- Management of Health and Safety at Work Regulations 1992
- Workplace (Health, Safety, and Welfare) Regulations 1992
- Violence Prevention and Reduction Standards 2021

The Health Safety and Security Committee co-ordinates the implementation and management of health, safety and security and non-clinical risk management across the Trust. The committee includes wide representation from both operational and support services and receives assurance from local level health and safety and quality sub-groups.

The Trust has a range of policies and procedures in place to support compliance with health and safety requirements:

- Corporate Statement and Policy on Health and Safety
- Control of Substances Hazardous to Health (COSHH)
- Display Screen Equipment Policy
- First Aid Policy
- General Work Place Risk Assessment Policy
- Adverse Incident Reporting Policy
- Lone Worker Safety Policy
- Health and Safety of Young Persons Policy
- Ligature Environmental Risk Assessment and Management Policy
- Manual Handling Policy
- Search Policy
- Work-related Driving Policy
- Criminal Behaviour within a Health Environment (Zero Tolerance) Policy
- Therapeutic and Safe Interventions and De-escalation Policy (TASID)
- Latex Policy
- Safety Alert Bulletin Policy
- Fire Safety Policy
- Violence Abuse Prevention and Reduction (VAPR) Policy
- Employee Well-Being, Sickness and Ill Health Policy

The Trust follows the Plan – Do – Study – Act process for health, safety and security management.

To enable staff to understand their roles and responsibilities, the Trust has a health and safety training programme which includes a fit for work e-learning programme. As at 31 March 2024, 88 per cent of staff had completed this training.

In line with the Trust's Corporate Statement and Policy on Health and Safety (RM01) and the legislative requirements placed upon them, it is the role of the Health & Safety/VAPR team to develop and undertake a programme of work which specifically relates to health and safety inspections at individual sites. Inspections are undertaken by the Health & Safety/VAPR team bi-annually and are designed to ensure the continued health, safety, security and welfare of staff, patients and visitors within the Trust. They are undertaken against strict criteria, with any identified risks escalated immediately, accompanied by a reporting process which includes any recommended actions needed in order to mitigate the risk and rectify the issue.

108 health and safety site inspections were completed between 1 April 2023 and 31 March 2024, in accordance with Trust policy and in line with legislation and guidance. Inspection results were shared with staff and corrective action identified to minimise risk.

In line with health and safety legislation, all managers have a responsibility for the health and safety of their staff, including completing general workplace risk assessments for their services. Expert support is provided by the Health and Safety/VAPR Team and any risks identified as part of the assessment are mitigated or escalated where support is required through local quality and safety groups and to the Health Safety and Security Committee.

In line with the Trust's Ligature Risk Assessment and Management Policy (CP75) it is the role of the Health and Safety/VAPR team to develop and undertake a programme of ligature inspections and follow up visits across inpatient mental health services. All applicable wards receive a full annual ligature inspection which assesses risks against the Trust's environmental standards.

The ligature inspection process aims to assess the risk posed by potential ligature anchor points. Inspections are carried out jointly between the Health & Safety/VAPR Team, a representative from each ward and the Estates Team, taking joint responsibility for highlighting and managing risk posed. Each ward receives a full report detailing assessed risks for each room and an action plan to address concerns. Potential risks identified are either removed, replaced with a reduced ligature solution or included in a capital works programme.

Risks which cannot be addressed in this way are highlighted to staff to allow them to mitigate those risks, taking them into account when planning care for vulnerable patients.

Community based services, including mental health A&E liaison teams, are required to consider ligature anchor points as part of their general work place risk assessment.

A separate support visit is undertaken six months after each full inspection, led by a senior clinical lead with support from the Health a Safety/VAPR Team and Estates Team and with a representative from the ward. These visits focus on:

- Coaching, support and education of staff on ligature risks
- Following up outstanding actions from ligature inspections
- Auditing compliance with policy, procedure and appendices
- Following up any gaps in processes from previous ligature assessment inspections

98 ligature risk assessment inspections (annual and follow up visits) were completed between 1 April 2023 and 31 March 2024.

The Trust continues to regularly review and develop agreed risk reduced environmental standards based on both internal and national learning, including national safety alerts. The standards inform the Trust's ligature risk assessment inspections, investment and patient safety improvement work programme and are overseen by the Ligature Risk Reduction Group.

The Health and Safety/VAPR team support the Trust's capital projects programme, providing expert advice and support with refurbishment and improvement works across multiple sites to ensure health and safety is at the forefront of any works.

There is now an increased health and safety focus on staff working at home, as more staff are enabled to work remotely. There has been a related rise in the requirement for home display screen equipment assessments to provide support for hybrid working, advice and recommendations via occupational health referrals and/or health and safety advice.

A clear structure is in place to prevent and reduce violence and abuse against Trust staff, based on the national Violence Prevention Reduction Standards (VPRS) introduced by NHS England in 2021. During the year, we focused on developing a new Violence Abuse Prevention and Reduction policy, strengthening the Trust's approach to violence and aggression and providing additional supportive measures for staff. By 31 March 2024, the Trust was 58.9% compliant with the (VPRS) standards, with compliance estimated to rise above 90% by the end of 2024/25.

Work continued during the year with partner agencies to provide a safer and more secure environment for staff, patients and visitors through greater understanding of the core issues around violence prevention and reduction. In the event that a member of staff is a victim of violence and aggression, the Health and Safety VAPR Team offer support and guidance to staff, and run clinics with Essex Police and the Trust's TASI training team.

An end to end review has taken place to establish the necessary action and support following an incident of violence and aggression. Five wards have been identified to trial the proposed support before it is rolled out across the Trust.

We are also working with people with lived experience to engage with patients to identify potential triggers for violence and aggression to help reduce or prevent future incidents. Findings will help shape behaviour pledges for both staff and service users.

Lone worker devices and body worn cameras are used to enhance safety and security for patients and staff. Managers have access to data for monitoring staff usage and activity which is analysed on a monthly basis.

In the coming year, we will focus on finalising a violence and abuse prevention and reduction strategy and continuing to strengthen partnership working across agencies.

Staff health and wellbeing

The health and wellbeing of workforce is fundamental to the delivery of high quality care for patients and service users. We are committed to supporting staff health and wellbeing, with support in place to cover all seven domains of the NHS Health and Wellbeing Framework.

Support available includes:

- Psychological and emotional support through our award-winning psychological support service, Here for You
- Access to fast track physiotherapy support
- Qualified mental health first aiders
- Menopause awareness training and events for staff and managers
- Twice-weekly staff mindfulness sessions for staff
- Dedicated resources and guidance for staff and managers, including a comprehensive health and wellbeing toolkit
- Guidance and support with flexible working requests
- Domestic abuse toolkit and support pathway
- Staff sexual safety helpline and support flow chart
- A range of staff benefits to support financial wellbeing, including cycle to work schemes, car loan schemes and the opportunity to buy and sell annual leave

Occupational health and employee assistance programme

Occupational health services are provided by an external provider, Optima Health. Services include immunisations, pre-employment checks, fast track physiotherapy and workplace adjustments advice. Optima Health also provide our employee assistance programme, Help EAP. The performance of both services is reviewed in monthly contract meetings.

Expenditure on consultancy

Consultancy support is commissioned when the Trust does not have its own internal resource to undertake particular work in-house or when specific additional resource is required for a project. During 2023/24, the Trust spent £1.4m on consultancy expenditure in respect of the provision of objective advice and assistance in delivering its purpose and objectives.

Off payroll arrangements

In line with HM Treasury guidance, the Trust has put controls in place around the use of off-payroll arrangements. These engagements are only entered into on the basis of the provider's relevant skills, experience and knowledge and are supported by individual contracts. All contracts are signed by both parties and include terms such as services to be provided, amount payable per day and responsibility for tax and national insurance contributions.

Table 29: Off-payroll worker engagements as of 31 March 2024 earning £245 per day or more

Number of existing engagements as of 31 March 2024	2
Of which…	
Number that have existed for less than one year at time of reporting	1
Number that have existed for between one and two years at time of reporting	-
Number that have existed for between two and three years at time of reporting	-
Number that have existed for between three and four years at time of reporting	1
Number that have existed for four or more years at time of reporting.	-

Table 30: All off-payroll workers engaged at any point during the year ended 31 March 2024 earning £245 per day or more

Number of off-payroll workers engaged during the year ended 31 March 2024	6
Of which…	
Not subject to off-payroll legislation*	-
Subject to off-payroll legislation and determined as in-scope of IR35*	-
Subject to off-payroll legislation and determined as out-of-scope of IR35*	6
Number of engagements reassessed for compliance or assurance purposes during the year	-
Of which: number of engagements that saw a change to IR35 status following review	-

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

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

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals who have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements.	13

Staff exit packages (subject to Audit)

During the year, the Trust incurred termination costs of £205,000 in respect of five individuals, including one special severance payment that required HM Treasury approval.

Table 32: Staff exit packages in 2023/24

	2023/24					
	Compulsory redundancies		Other departures agreed		Total termination costs	
	Number	£000	Number	£000	Number	£000
< £10,000	1	7	1	9	2	16
£10,001 - £25,000	1	24	-	-	1	24
£25,001 - £50,000	1	27	-	-	1	27
£50,001 - £100,000	-	-	-	-	-	-
£100,001 - £150,000	1	138	-	-	1	138
£150,001 - £200,000	-	-	-	-	-	-
Total	**4**	**196**	**1**	**9**	**5**	**205**

Table 33: Staff exit packages in 2022/23

	2022/23					
	Compulsory redundancies		Other departures agreed		Total termination costs	
	Number	£000	Number	£000	Number	£000
< £10,000	-	-	-	-	-	-
£10,001 - £25,000	-	-	2	31	2	31
£25,001 - £50,000	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-
Total	**-**	**-**	**2**	**31**	**2**	**31**

Staff exit packages – non-compulsory departure payments

This note discloses the number of non-compulsory departures which attracted an exit package and the value of payments by individual types.

Table 34: Non-compulsory departure payments in 2023/24

	2023/24	
	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	-	-
Exit payments following Employment Tribunals or court orders	-	-
Non-contractual payments requiring HM Treasury approval*	1	9
Total	**1**	**9**
Of which:		
Non contractual payments requiring HM Treasury approval made to individuals where the payment value was more than 12 months of their annual salary	**-**	**-**

Table 35: Non-compulsory departure payments in 2022/23

	2022/23	
	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	-	-
Exit payments following Employment Tribunals or court orders	-	-
Non-contractual payments requiring HM Treasury approval*	2	31
Total	**2**	**31**
Of which:		
Non contractual payments requiring HM Treasury approval made to individuals where the payment value was more than 12 months of their annual salary	**-**	**-**

Trade Union (Facility Time Publication Requirements) Regulations 2017

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require NHS employers to publish certain information on trade union officials and facility time on their website as follows:

- The number of employees who were relevant union officials during the relevant period and the number of full time equivalent employees
- The percentage of time spent on facility time for each relevant union official
- The percentage of pay bill spent on facility time

- The number of hours spent by relevant union officials on paid trade union activities as a percentage of total plain facility time hours

For these purposes, 'facility time' is defined as time that is taken off to carry out trade union duties or the duties of a union learning representative, to accompany a worker to a disciplinary or grievance hearing, or to carry out duties and receive training under the relevant safety legislation.

Schedule 2 – The Trade Union (Facility Time Publication Requirements) Regulations 2017:

The detail of trade union activity for 1 April 2023 to 31 March 2024 is a below.

Table 36: Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent trade union representatives	Full-time equivalent employee number
22	20.05	6013.43

Table 37: Percentage of time spent on facility time

The number of employees who were relevant union officials employed during the relevant period and spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time

Percentage of time	Number of employees
0%	9*
1-50%	12*
51-99%	1*
100%	0*

Table 38: Percentage of pay bill spent on facility time

First Column	Figures
Total cost of facility time	£46,061.58*
Total pay bill	£389,247,000
Percentage of the total pay bill spent on facility time	0.012%

Table 39: Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	1.47%*

*Disclaimer: Information is correct based on returns received from trade union officials. Some nil returns have been received and therefore may be subject to change. Figures will be updated upon receipt of additional information.

Code of Governance for NHS provider trusts

Essex Partnership University NHS Foundation Trust has applied the principles of the Code of Governance for NHS Providers on a comply or explain basis. The Code of Governance, most recently revised in October 2022, is based on the principles of the UK Corporate Governance Code issued in 2012.

The purpose of the Code of Governance is to assist NHS provider boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Code is issued as best practice advice, but imposes some disclosure requirements. This Annual Report includes all the disclosures required by the Code.

The Board of Directors and Council of Governors are committed to continuing to operate according to the highest standards of corporate governance and support and agreed the principles set out in the Code.

There are no provisions within the Code of Governance for NHS providers that we did not comply with for the period 1 April 2023 to 31 March 2023.

Note: The Trust Chair has served longer than six years, with a 12-month extension to their term of office agreed through appropriate governance with NHS England. This extension is not considered to have impaired the Chair's independence as a non-executive director of the Board.

NHS Oversight Framework

NHS England's NHS Oversight Framework oversees systems including providers and identifies potential support needs. NHS organisations are allocated to one of four 'segments'.

A segment decision indicates the scale and general nature of support needs, from no specific support (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 to another segment are met. These criteria have two components:

a) Objective and measurable eligibility criteria based on performance against 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 only be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

NHS England confirm that EPUT is in segment 3, with mandated support provided to enable the Trust to address key challenges associated with our Care Quality Commission report. This segmentation information is the Trust's position as at 31 March 2024. 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/.

The support provided by local partners from our Integrated Care Board includes:

- Supporting the establishment of an Evidence Assurance Group to provide external oversight and test robustness and sustainability of improvement.
- Support with the development and enhancing or Quality improvement capacity by commissioning and delivering of NHS Impact 'QSIR' training.
- Support to review and establish the governance framework for oversight and delivery of the improvement plan.
- Support external stakeholder involvements in quality assurance visit programme to test improvements in care.
- Support a well-led development review of leadership and governance to establish a baseline.
- Support clinical leadership through a review and development of the role of matron.

The Trust welcomes and thanks system partners for their support with our improvement journey.

Board of Directors

The Board of Directors functions as a corporate decision making body. The duty of the Board and of each Director individually is to ensure the long-term success of the Trust in delivering high quality healthcare. As a Board, all voting Directors have the same status as Non-Executive and Executive sitting on a single Bard, operate on the principle of a 'unitary board'.

All the powers of the Trust shall be exercised by the Board of Directors on behalf of the organisation. The rules and regulations within which the Board is expected to operate are captured in the Trust's corporate governance documents, which include the constitution (which contains the standing orders for the Board of Directors), its schedule of matters reserved for Board decision, standing financial instructions and scheme of delegation. These documents explain the respective roles and responsibilities of the Board of Directors and the Council of Governors, the matters which require Board and / or Council approval and matters that are delegated to committees or executive management.

Collectively the Board of Directors have responsibility for:

- Providing leadership to the organisation within a framework of prudent and effective controls.
- Supporting an appropriate culture, setting strategic direction, ensuring management capacity and capability and monitoring and managing performance.
- Facilitating the understanding on the part of the Governors of the role of the Board and the systems supporting its oversight of the organisation.

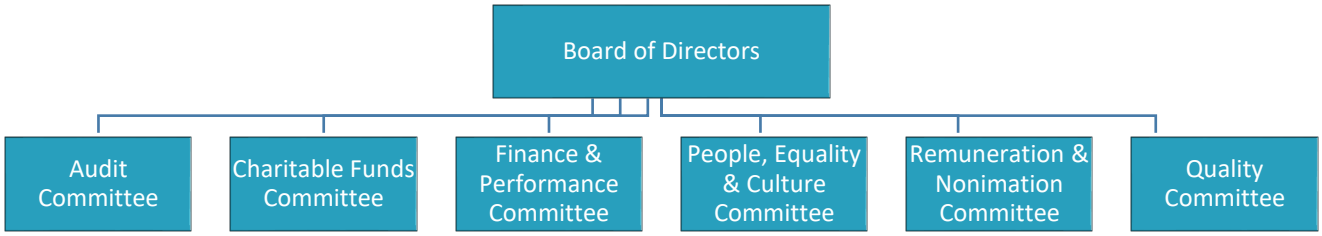
Disagreements between the Board of Directors and Council of Governors are resolved through a process which aims to achieve informal resolution in the first instance, following which a formal process will be taken which involves a resolution discussion at a Board meeting.

The Board takes active steps to ensure it interacts appropriately with the Council of Governors. Governors attend regular informal meetings with the Trust Chair and are regular observers of the

Board assurance committees. Non-Executive Directors are invited to attend the Council of Governors meetings and Council of Governor members attend the public Board meetings.

The limitations set on the delegation to executive management require that any executive action taken in the course of business does not compromise the integrity and reputation of the Trust and takes account of any potential risk, health and safety, patient experience, finance and working with partner organisations.

The Executive Directors manage the day-to-day running of the Trust while the Chair and Non-Executive Directors provide operational and Board level experience gained from other public and private sector



bodies; among their skills are accountancy, audit, clinical, commercial, digital technology, education, human resources, quality and risk. The Board includes members with a diverse range of skills, experience and backgrounds that incorporate the skills required of the Board.

The Board has a Vice-Chair and a Senior Independent Director. All Non-Executive Directors are considered independent taking into account character, judgement and length of tenure.
During the course of the year, the Board met eight times. Six of these meetings were held in public.

The attendance record of all meetings for the Board of Directors for the year ended 31 March 2024 is as follows:

Name	Role	Meetings Attended (actual/possible)
Professor Sheila Salmon	Chair	8/8
Dr Rufus Helm	Non-Executive Director	8/8
Professor Stephen Heppell	Non-Executive Director	1/5
Dr Ruth Jackson	Associate Non-Executive Director	2/3
Dr Mateen Jiwani	Non-Executive Director / Senior Independent Director	6/8
Diane Leacock	Non-Executive Director	2/3
Manny Lewis	Non-Executive Director / Vice Chair	4/6
Loy Lobo	Non-Executive Director / Vice Chair	7/8
Elena Lokteva	Non-Executive Director	7/8
Jenny Raine	Non-Executive Director	3/3
Janet Wood	Non-Executive Director	4/4
Paul Scott	Chief Executive Officer	8/8
Frances Bolger	Interim Executive Nurse	3/4
Alexandra Green	Executive Chief Operating Officer	7/8
Denver Greenhalgh	Senior Director of Corporate Governance	8/8
Prof Natalie Hammond	Executive Nurse	1/3

Name	Role	Meetings Attended (actual/possible)
Dr Milind Karale	Executive Medical Director	7/8
Sean Leahy	Executive Director of People & Culture	0/1
Nigel Leonard	Executive Director of Major Projects & Programmes	6/8
Marcus Riddell	Interim Executive Director of People and Culture	3/3
Trevor Smith	Executive Chief Finance Officer	8/8
Zephan Trent	Executive Director of Strategy, Transformation and Digital	8/8
Susan Young	Interim Executive Director of People and Culture	2/2

Board of Directors appointments

The Trust has a formal, rigorous and transparent procedure for the appointment of both Executive and Non-Executive Directors. Appointments are made on merit and based on objective criteria.

Executive Directors are permanent appointments, while Non-Executive Directors are appointed to a three-year term of office.

The reappointment of a Non-Executive Director after their first term of office will be subject to a satisfactory performance appraisal. Any term beyond six years is only supported in exceptional circumstances and with the support of NHS England, and takes into account the need for progressive refreshing of the Board.

Both the Chair and Non-Executive Directors are appointed by the Council of Governors who may also terminate their appointment as set out the Trust's constitution.

Appointment of Executive Directors

The Board of Directors Remuneration and Nominations Committee has delegated responsibility to oversee the appointment of Executive Directors to the Board of Directors, including approving successful candidates and establishing remuneration for new appointments.

The recruitment of Executive Directors is completed using a robust selection progress, including stakeholder panels and a formal interview panel. Candidates are interviewed by a range of individuals, including ensuring diversity at both stakeholder and interview panel level.

During 2023/24, the Trust appointed two Executive Directors:

- Ann Sheridan, Executive Nurse (February 2024)
- Andrew McMenemy, Executive Chief People Officer (to commence in post May 2024)

The Trust completed a rigorous recruitment and selection process, utilising the services of Executive Search Company Alumni, to identify candidates that had the skills, knowledge and experiencing to support the Trust in a complex and challenging time.

During the recruitment process, the Trust ensured stability and support was maintained for individual directorates, and therefore, interim arrangements were implemented:

- Frances Bolger, Interim Executive Nurse (August 2023 – March 2024)
- Susan Young, Interim Chief People Officer (August 2023 – January 2024)
- Marcus Riddell, Interim Chief People Officer (January 2024 – May 2024)

Appointment of Non-Executive Directors

The appointment of Non-Executive Directors to the Board of Directors is undertaken by the Council of Governors Nomination Committee on behalf of the Council of Governors. Non-Executive Directors on a

term of three-years. The Non-Executive Director may be appointed for a further three-year term following a re-appointment process. Any term beyond six years will be subject to rigorous review and satisfactory annual performance appraisal, taking into account the need for progressive and refreshing of the Board. From February 2021, any new NED appointments have been appointed for a three-year term with a probationary review completed after one year, to review the NED has performed satisfactorily in the role to serve the remaining two-years of their first term.

The Trust constitution sets-out the circumstances that disqualify an individual from holding a Directorship. Should any of those circumstances become applicable to a Non-Executive Director, their appointment will be terminated. In addition, either party shall be entitled to terminate that agreement by giving at least one month's notice in writing to the other. The appointment may be terminated with immediate effect if the Non-Executive Director becomes disqualified for appointment or membership. This is set-out in the Terms and Conditions signed by the Non-Executive Director on appointment.

The Non-Executive Director will leave their post at the completion of their term of office unless re-appointed by the Council of Governors for a further term.

The terms of office for two Non-Executive Directors ended during 2023/24:
- Janet Wood (30 September 2023)
- Manny Lewis (27 February 2024)

In addition, Professor Stephen Heppell stepped down as a Non-Executive Director on the 11 March 2024 due to ill health.

The Council of Governors appointed the following Non-Executive Directors during 2023/24:
- Elena Lokteva (23 May 2023 – Elena was already in post as Associate NED following a full selection process complete in 2022/23)
- Diane Leacock (4 December 2023)
- Jenny Raine (2 January 2024)
- Dr Ruth Jackson (as Associate Non-Voting NED, 12 February 2024).

The Council of Governors re-appointed the following Non-Executive Directors for a second term of office during 2023/24:
- Dr Mateen Jiwani (31 December 2023)
- Loy Lobo (31 March 2024)

The Council of Governors approved the appointments / re-appointments at meetings during the year, with the commencement dates subsequently agreed with successful candidates or commencing from the end of their existing term of office.

Chair's Significant Commitments

Professor Sheila Salmon has no other significant commitments other than to the Trust. However, she has declared her involvement with Anglia Ruskin University where she is the Emeritus Professor of Health Services Development which is a non-remunerated role.

Independence of the Non-Executive Directors

Following consideration of the Code of Governance, the Board takes the view that all Non-Executive Directors are independent. All Non-Executive Directors declare their interest and, in the rare likelihood that such interests conflict with those of the Trust, then the individual would be excluded from any discussion and decision relating to that specific matter.

Balance, Completeness and Appropriateness of the Membership of the Board of Directors

The current Board of Directors comprises eight Non-Executive Directors (including the Trust Chair) and eight Executive Directors (including the Chief Executive Officer, seven voting). The structure is compliant with the provisions of the *Code of Governance* and the Trust's constitution.

Taking into account the wide experience of the whole Board as well as the balance and completeness of membership, the composition of the Board is considered to be appropriate for the requirements of the business and future direction of the Trust.

Board of Directors Performance Evaluation

The Trust has put in place processes for an annual performance evaluation of the Board and its Directors in relation to their performance. An evaluation of the Board of Directors Standing Committees is currently underway for 2023/24 using an online evaluation form. The Trust has also commissioned an independent Well-Led Review which is currently being conducted by NHS England.

All members of the Board receive a full and tailored induction on joining the Trust and undertake a personal induction programme during the first 12 months of appointment. All Directors will undergo an annual performance review against agreed objectives, skills and competences and agree personal development plans for the forthcoming year. In addition, the Chair will annually review and agree the Chief Executive's and Executive Directors' training and development needs as they relate to their role on the Board.

The performance evaluation of the Executive Directors is undertaken by the Chief Executive Officer whose performance is appraised by the Chair. The outcomes are reported to the Board of Directors Remuneration and Nominations Committee.

The Chair conducts the annual performance evaluation and appraisal of each Non-Executive Director. The Senior Independent Director conducts the annual performance evaluation and appraisal of the Chair, having met with all other Non-Executive Directors and received feedback from Governors.

Detailed consideration of the results of the performance evaluation of the Chair and Non-Executive Directors for 2022/23 was undertaken by the Council of Governors Remuneration Committee in line with the process agreed by the Council and a report from the Committee made to the Council of Governors.

Board performance is also evaluated through focused discussions at Board Development / Seminar sessions and ongoing in-year review of the Board Assurance Framework. The Framework provides clear information and enables a continuous and comprehensive review of the performance of the Trust against agreed plans and objectives, linked to the Strategic Objectives.

All Directors meet the criteria for being a fit and proper person as prescribed by the Trust's Provider Licence and Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. The Trust is following the new Fit and Proper Persons Tests framework published in 2024.

Nominations Committees

The Trust has two Nominations Committees: the Board of Directors Remuneration and Nominations Committee and the Council of Governors Nominations Committee.

Board of Directors Remuneration and Nominations Committee

The Board of Directors Remuneration and Nominations Committee is constituted as a standing committee of the Board. It has the statutory responsibility for identifying and appointing suitable candidates to fill Executive Director positions on the Board of Directors, ensuring compliance with any mandatory guidance and relevant statutory requirements.

This Committee is also responsible for succession planning and reviewing Board structure, size, composition and diversity, taking into account future challenges, risks and opportunities facing the Trust and the skills and expertise required on the Board to meet them.

The Committee is chaired by the Trust's Chair with membership comprising all Non-Executive

Directors. The Chief Executive Officer will attend when the Committee is considering appointments to Executive Director positions other than the post of Chief Executive Officer. At the invitation of the Committee the Executive Chief People Officer (or their deputy) will normally attend (depending on the agenda items to be discussed) in an advisory capacity. The Senior Director of Corporate Governance (or their deputy) is the Committee Secretary.

The Committee's terms of reference are reviewed annually in line with good practice. The Committee meets at least annually or as and when required to undertake its roles and responsibilities.

The Committee met nine times during the year. The appointment processes considered by the Committee are as described on page 105. During the year, the Board of Directors Remuneration and Nominations Committee agreed (in respect of nominations business):

- Approval of the appointment of an Interim Executive Chief Nurse to allow a full recruitment process to be undertaken for the substantive position.
- Approval of the appointment of a substantive Executive Chief Nurse.
- Approval of the appointment of an Interim Chief People Officer to allow a full recruitment process to be undertaken for the substantive position.
- Considered succession planning for the Board of Directors, including identifying gaps and further action.

Members of the combined Remuneration and Nominations Committee and the number of meetings attended by each member during the year is detailed at Table 10 earlier in this report.

Council of Governors Nominations Committee

The Council of Governors Nominations Committee is responsible for establishing a clear and transparent process for the identification and nomination of suitable candidates that fit the criteria set out by the Board of Directors Remuneration and Nominations Committee for the appointment of the Trust Chair and Non- Executive Directors, for approval by the Council.

The Committee is chaired by the Trust's Chair with membership comprising elected and appointed Governors. If the Chair is being appointed or not available, the Vice-Chair, Senior Independent Director, one of the other Non-Executive Directors who is not standing for appointment or the Lead Governor will be the Chair. When the Trust Chair is being appointed, the Committee comprises only Governors who will elect a Chair of the Committee from amongst its members. The Assistant Trust Secretary is the Committee Secretary.

The Committee's terms of reference are reviewed annually in line with good practice. The Committee meets at least annually or as and when required to undertake its roles and responsibilities.

The Committee undertook a recruitment process to appoint to two Non-Executive Director vacancies and one Associate Non-Executive Director role. The Committee completed a robust selection process which included an executive search, shortlisting process and stakeholder / interview panel. The Committee agreed to recommend the appointment of two Non-Executive Directors as detailed earlier in this report. The Committee also identified an Associate Non-Executive Director to provide additional support during the sickness absence of a Non-Executive Director as detailed earlier in this report.

Support and advice was provided to the Committee as part of this process by Hunter Healthcare and the Interim Chief People Officer(s). The company does not have any other connection with the trust or individual directors.

Members of the Committee and the number of meetings attended by each member during the year are set out below.

Name	Role	Meetings Attended (actual/possible)
Professor Sheila Salmon	Chair	5/5
Zisan Abedin	Staff Governor	2/3
Lara Brooks	Staff Governor	0/2
Dianne Collins	Public Governor	1/2
Pippa Ecclestone	Public Governor	2/2
Paula Grayson	Public Governor	3/5
John Jones	Public Governor	4/5
Megan Leach	Public Governor	1/2
Maxine Sadza	Appointed Governor	1/1
Stuart Scrivener	Public Governor	4/5
Biliaminu Yesufu	Public Governor	3/3

Audit Committee

The Audit Committee comprises solely of independent Non-Executive Directors who have a broad set of financial, legal and commercial expertise to fulfil the Committee's duties. Members of the Committee and the number of meetings attended by each member during the year are set out below:

Table 40: Membership and attendance at Audit Committee meetings

Name	Role	Meetings attended
Elena Lokteva	Chair of Committee	5/5
Janet Wood (up to September 2023)	Chair of Committee / Non-Executive Director	3/3
Rufus Helm	Non-Executive Director	4/5
Mateen Jiwani	Non-Executive Director	2/4
Jenny Raine	Non-Executive Director	1/1

At the request of the Committee Chair, each meeting is attended by the Executive Chief Finance and Resources Officer, Director of Finance, Senior Director of Governance and Corporate Affairs, Head of Financial Accounts, an External Audit representative, an Internal Audit representative, and the Local Counter Fraud Specialist. In addition, the Chief Executive presents the Annual Governance Statement on an annual basis.

Internal Audit

The Trust has an internal audit function which forms an important part of the organisation's internal control environment. During the year, this function was provided by TIAA. The functions of the internal audit service are to provide an *'independent, objective assurance and consulting activity designed to add value to an organisation's activities'*. This means that the role embraces two key areas:

1. The provision of an independent and objective opinion to the Accounting Officer, the governing body and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisations agreed objectives
2. The provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.

Local Counter Fraud Specialist

During 2023/34, TIAA also provided the Trust with a dedicated counter fraud service. TIAA agrees a detailed counter fraud work plan with the Trust, based on guidance received from the NHS Counter Fraud Authority. The Trust also has a counter fraud policy and response plan which has been approved by the Board of Directors. Anyone suspecting fraudulent activities within the Trust's services should report their suspicions to the Executive Chief Finance and Resources Officer or telephone the NHS Counter Fraud Authority confidential hotline on 0800 028 4060.

All NHS funded services are required to provide assurance against the NHS Counter Fraud Authority (NHSCFA) Requirements of Government Functional Standards 013: Counter fraud. The Audit Committee oversees this return and in 2024, the Trust submitted an overall rating of **GREEN**.

External Audit

The 2023/24 financial year represents the second year of a three-year contract (with option to extend for a further two years) with Ernst and Young. This appointment was approved by the Council of Governors in August 2023.
The value of the external audit contract for 2023/24 was £154,425 (excluding VAT). There was no non-audit work undertaken during the year.

Work of the Audit Committee

During the year, the Committee considered a number of significant issues including the impact of the current inquiry and the planning regime.
Further matters relating to the 2023/24 annual accounts, which were discussed by the Committee, were as follows:

- Accounting for ongoing costs of servicing the inquiry in the 2023/24 accounts with costs met from internal Trust resources;
- Restatement in annual leave accrual;
- Conversion of PFI liability to IFRS16;
- Revaluation and impairment of property, plant and equipment;
- Accounting treatment for the Local Government Pension Scheme; and
- Going concern assessment.

Council of Governors

Our Council of Governors is an integral part of the Trust. Our Governors bring the views and interests of the public, service users and patients, carers, our staff and other stakeholders into the heart of our governance. This group of committed individuals has an essential involvement with the Trust and contributes to its work and future developments in order to help improve the quality of services and care for all our service users and patients.

Role of the Council of Governors

The roles and responsibilities of the Council of Governors are set out in our Constitution. The Council of Governors' statutory responsibilities include:

- To hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors
- To represent the interests of the members of the Trust as a whole and the interests of the public
- To amend/approve amendments to the Trust's constitution
- To appoint/remove the Chair and other Non-Executive Directors
- To approve the appointment of the Chief Executive
- To determine the remuneration, allowances and other terms and conditions of office of the Chair and Non-Executive Directors
- To appoint/remove the Trust's external auditor
- To provide views to the Board of Directors in the preparation of the Trust's Annual Plan

- To receive the Trust's Annual Report and Accounts and any report of the auditor on them
- To take decisions on significant transactions and on non-NHS income

The Council of Governors is required to meet a minimum of four times a year.

The Health and Social Care Act 2012 requires the Board of Directors to empower Governors by:

- Holding open Board meetings
- Sending a copy of the agendas to the Council before holding a Board meeting
- Sending copies of the approved minutes to the Council as soon as practicable after holding a Board meeting
- Ensuring that Governors are equipped with the skills and knowledge they need to undertake their role

Composition of the Council of Governors

The Council is led by the Chair of the Trust. The composition of the Council of Governors is in accordance with the Trust's constitution as below in table 41.

Table 41:

	Constituency	Number of Governors
Public	Essex Mid & South	9
	North East Essex & Suffolk	3
	West Essex & Hertfordshire	5
	Milton Keynes, Bedfordshire, Luton & Rest of England	2
Staff	Clinical	4
	Non-Clinical	2
Appointed	Essex County Council	1
	Southend Borough Council	1
	Thurrock Council	1
	Anglia Ruskin & Essex Universities*	1
	Voluntary/Third Sector	1

*joint appointment

Board relationship with the Council of Governors

The Trust Chair is responsible for the leadership of both the Council of Governors and the Board of Directors. The Chair has overall responsibility for ensuring that the views of the Council and Trust members are communicated to the Board as a whole and considered as part of decision-making processes and that the two bodies work effectively together.

The Chair works closely with the Lead and Deputy Lead Governors and meets with them prior to Council meetings to set the agenda and review key issues.

The Non-Executive Directors attend each meeting of the Council, presenting agenda items and taking part in open discussions that form part of each meeting. The Executive Directors attend meetings to present specific items or provide support for any presentations on a theme related to their portfolios. Standing agenda items include reports from the Chief Executive Officer and Executive Directors on Trust performance, finance and quality matters, a report from the Chair and national and local systems updates. Non-Executive chairs of each Board standing committee also present a summary report of the committees' deliberations on a rotational basis.

The Senior Independent Director pursues an effective relationship between the Council and the Board. Governors can contact the Senior Independent Director if they have concerns regarding any issues which have not been addressed by the Chair, Chief Executive Officer or Executive Chief Finance and Resources Officer. There are a number of procedures in place to guide key processes for the

involvement of the Council of Governors, including in situations where the Council disagrees with or rejects a proposal made by the Board of Directors. This includes criteria by which the Council may reject or disagree with a recommendation from the Board and action that should be taken. A formal policy and procedure is also in place which sets-out the relationship between the Board and Council, included how any disagreement or dispute will be resolved.

Board of Directors meetings are held in public and Governors can and do attend, having the opportunity to ask questions of the Board on matters relating to agenda items. In addition, the Trust establishes working groups of Board and Council representatives to take forward specific work.

Both the Board of Directors and the Council of Governors are committed to continuing to promote enhanced joint working so that they can deliver their respective statutory roles and responsibilities in the most effective way possible.

The Board values the relationship it has with the Council and recognises that its work promotes the strategic aims and assists in shaping the culture of the Trust. Both the Board and the Council are committed to continuing to promote enhanced joint working so that they can deliver their respective statutory roles and responsibilities in the most effective way possible.

Awareness of Governors' and members' views

The Board recognises the importance of maintain good relations with stakeholders, and in particular that there is dialogue with members, patients and local communities. The Trust regularly consults and involves Governors, members, patients and local communities and supports Governors in representing the interests of Trust members and the public, through seeking their views and keeping them informed.

During the year, the Board was kept informed of the views of Governors and Members through a variety of means, including:

- Attendance and agenda item presentations by Executive Directors and Non-Executive Directors at all quarterly Council meetings, where Governors can ask questions and provide feedback
- Council meetings held in public
- Quarterly informal Non-Executive Directors and Governors meetings
- Constituency meetings for Governors and their representative Non-Executive Directors
- Quarterly Chief Executive Officer briefing sessions with Governors
- Regular Lead and Deputy Lead Governors meetings with the Trust Chair and Trust Secretary's Office
- Attendance by Governors at Board of Director meetings
- Public "Your Voice" member meetings across Trust constituencies, enabling members and the public to meet with the Chair, Chief Executive Officer, Directors, Senior Managers and Governors;
- Annual Members Meeting
- The Trust's website - www.eput.nhs.uk

The Trust fosters an 'open door' policy where issues, queries and feedback can be raised with the Chair, the Chief Executive and any Board member as appropriate, either on a face-to-face basis or via email.

Table 42: Council of Governors Meeting Attendance 2023/24

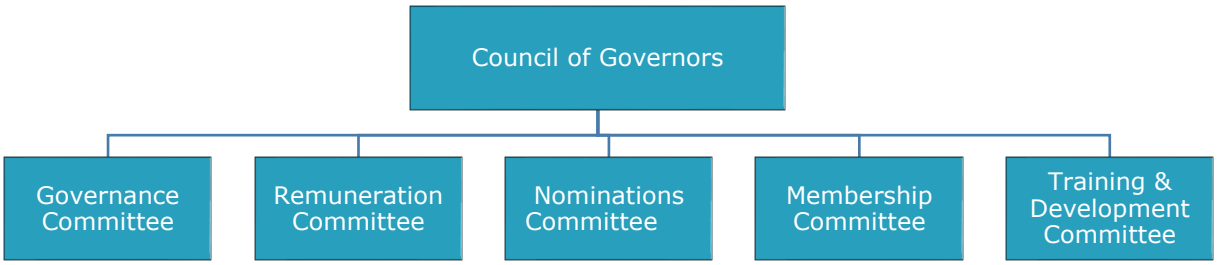
Name	Term		Attendance at Council of Governor Meetings (actual/possible)
Public: Milton Keynes, Bedfordshire and Luton			
Paula Grayson	3rd term: 3 years	Jun 2022 – Jun 2025	**5/5**
John Jones (Lead Governor)	3rd term: 3 years	Jun 2022 – Jun 2025	**5/5**
Public: Essex Mid and South			
Keith Bobbin	2nd term: 3 years	Sep 2020 – Sep 2023	**2/2**
Owen Carty (Until June 2023)	1st term: 3 years	Jun 2022 – Jun 2025	**0/1**
Dianne Collins	2nd term: 3 years	Jun 2022 – Jun 2025	**4/5**
Mark Dale	2nd term: 3 years	Jun 2022 – Jun 2025	**5/5**
Gwyn Davies	1st term: 3 years	Sep 2023 - Sept 2026	**3/3**
Kingsley Edore	1st term: 3 years	Sep 2023 - Sept 2026	**1/3**
David Finn	1st term: 3 years	Sep 2023 - Sept 2026	**3/3**
Julia Hopper	1st term: 1.5 years	Mar 2022 – Sept 2023	**1/2**
Megan Leach	1 term: 3 years	Jun 2022 – Jun 2025	**5/5**
Pamela Madison	3 term: 3 years	Sep 2023 - Sep 2026	**3/5**
David Norman	1 term: 3 years	Sep 2023 - Sept 2026	**2/3**
Stuart Scrivener	1 term: 3 years	Jun 2022 – Jun 2025	**4/5**
Public: North East Essex and Suffolk			
David Short	1 term: 3 years	Sep 2020 – Sep 2023	**0/1**
Susan Tivy-Ward	1 term: 3 years	Jun 2022 – Jun 2025	**0/5**
Cort Williamson	1 term: 3 years	Jun 2022 – Jun 2025	**5/5**
Public: West Essex and Herts			
Joanna Androulakis	1 term: 3 years	Sep 2023 - Sept 2026	**0/3**
David Bamber (until Jun 2023)	2 term: 3 years	Apr 2021 – Sep 2023	**0/1**
Pippa Ecclestone	2 term: 3 years	Sept 2020 – Sep 2023	**2/2**
Jason Gunn	1 term: 3 years	Jun 2022 – Jun 2025	**3/5**
Kate Shilling (until Aug 2023)	2 term: 3 years	Jun 2022 – Sep 2023	**0/1**
Biliaminu Yesufu	1 term: 3 years	Sep 2023 - Sept 2026	**0/3**
Staff: Clinical			
Alivia Bray	1 term: 3 years	Sep 2023 - Sept 2026	**3/3**

Name	Term		Attendance at Council of Governor Meetings (actual/possible)
Jared Davis	1 term: 3 years	Sep 2020 – Sep 2023	**0/2**
Sharon Green	1 term: 3 years	Jun 2022 – Jun 2025	**5/5**
Ibraheem Lateef	1 term: 3 years	Sep 2023 - Sept 2026	**2/3**
Tracy Reed	2 term: 3 years	Sep 2020 – Sep 2023	**1/2**
Edwin Ugoh	1 term: 3 years	Jun 2022 – Jun 2025	**2/5**
Staff: Non-Clinical			
Zisan Abedin	1 term: 3 years	Sep 2023 - Sep 2026	**2/3**
Lara Brooks	1 term: 3 years	Sep 2020 – Sep 2023	**2/2**
Paul Walker	1 term: 3 years	Sep 2020 – Sep 2023	**1/2**
Essex County Council			
Mark Durham	1 term: 3 years	Dec 2020 – Jun 2023	**1/1**
Jaymey McIvor	1 term: 3 years	Jul 2023 – Jun 2026	**0/3**
Southend on Sea Council			
James Moyies (until March 2024)	1 term: 3 years	Jun 2023 – Jun 2026	**0/3**
Maxine Sadza (until May 2023)	1 term: 2.5 years	Nov 2022 – May 2025	
Thurrock Council			
Shane Ralph (until May 2023)	1 term: 3 years	Jun 2022 – Jun 2025	**0/1**
Anglia Ruskin and Essex Universities			
Nicky Milner	1 term: 3 years	Aug 2022 – Jun 2025	**2/5**

Council of Governors committees

The Council's committee governance framework is designed to ensure it robustly supports and enables the Council to fulfil its duties, roles and responsibilities effectively. The Committees do not have any delegated authority. All responsibilities are undertaken in support of the Council, as it is the Council of Governors that holds the responsibility for decisions relating to all issues covered by the Committees.

Figure 2: Committee structure underpinning Council of Governors



In line with good governance practice, an effectiveness review of the Council of Governors and its sub-committee structure was completed and results will be presented to the Council of Governors in May 2024. The Council of Governors structure provides robust coverage of its statutory responsibilities. The sub-committees provide support for the Council of Governors by taking forward key statutory tasks and making recommendations to the Council of Governors to consider.

The Council of Governors Training and Development Committee is a subcommittee of the Council which ensures effective and robust training and development arrangements are in place to develop Governors' skills, knowledge and capabilities.

During the year, the Trust has hosted or provided Governors with access to a range of training and development opportunities with the purpose of enhancing their knowledge and understanding of the organisation.

All Governors have undertaken a comprehensive induction programme, which is regularly reviewed and updated, taking account of best practice from the centre. This includes a Governor Induction Handbook based on handbooks developed by NHS Providers, which provides new Governors with information about the Trust and their role as Governors.

Governors are kept regularly informed through direct emails. Knowledge is kept up to date through the sharing of best practice and centrally published information. In addition, the Chief Executive Officer provides a briefing in private prior to each Council meeting.

Council of Governors Register of Interests

All members of the Council of Governors have a responsibility to declare relevant interests as defined in the Trust's Constitution. Declarations made are entered into a register which is available online and is updated in real time.

Governor expenses

Whilst Governors do not receive remuneration, they are entitled to claim travel and other expenses in line with Trust policy. Seven Governors in place during the year claimed expenses, with all claims totalling £1,389.

Contacting our Governors

Our Governors can be contacted through our Membership Office:

Email: epunft.membership@nhs.net
Freephone: 01268 739739
Post: Freepost RTRG–UCEC-CYXU
Trust Secretary's Office
The Lodge, Lodge Approach
Wickford
SS11 7XX

Annual Report of the Council of Governors

We are pleased to write this report to members from the Council of Governors of Essex Partnership University Trust (EPUT).

We have taken our role as 'critical friend' seriously, questioning the directors regularly so as to satisfy ourselves that proper process has been undertaken and that the interests of the patients and carers have been uppermost in any decisions which have been made.

Changes in senior management have brought a new look to the Board with new ideas. We welcome these and recognise that it means that any changes proposed must be in the interests of the patients and carers.

The two new Non-Executive Directors we appointed this year, Diane Leacock and Jenny Raines, have brought a new perspective and fresh ideas from their wealth of experience. They replace Professor Stephen Heppell, Manny Lewis and Janet Wood who we thank for their hard work and dedication over many years. We were also pleased to appoint Dr Ruth Jackson as an Associate Non-Executive Director.

We did undertake some PLACE visits during the past year. These allowed us to find out how our patients feel about the level of service which they receive, and how those changes, which have been made, have bedded in and improved the level of care.

Those Governors who were able to attend the Council meetings every quarter have appreciated the private session before the main meeting in which the Chief Executive, Paul Scott holds an informal discussion on matters of immediate interest. These have been very helpful, enhancing, as they do, the close working relationship between the Governors and the Chief Executive.

We can give you, our members, assurance that EPUT complies with the *Code of Governance.* This guidance helps Trusts to deliver effective and quality corporate governance, contribute to better organisational performance and ultimately discharge their duties in the best interests of patients and service users.

We always make sure that there are Governors present at public Board meetings to provide us with an insight into how the Non-Executive Directors and the Executive Directors interact as well as to ask questions on your behalf. A record of these questions can be found in the Minutes of the Board of Directors on the Trust's website which shows the wide variety of subjects on which we have asked questions.

We are mindful that we are elected or appointed to represent you, the members of our Trust, and to satisfy ourselves on your behalf that service users'/patients' needs are always the top priority and that the services provided are safe and of high quality, while at the same time maintaining independence from executive decisions.

This year has not been easy for staff and we know that you would wish us to thank them all for the hard work and dedication which they have shown in mental and community health, and learning disability services. This is against a background of the Mental Health Public Inquiry currently in progress and which has involved staff and management in considerable additional work.

Finally, we hope that you, as members, have been satisfied with the representation which we, as Governors, have been able to provide during the past year. If you have any questions which you wish to ask us then feel free to send us these, through the Trust Secretary's Office.

John Jones
Lead Governor

Pam Madison
Deputy Lead Governor

Membership

Foundation Trust membership aims to give local people, service users, patients and staff a greater influence in how the Trust's services are provided and developed. The benefits to the Trust in developing an effective membership and providing active engagement include:

- Wider engagement with and improved access to the views of the populations and communities we serve
- Improved and more representative feedback from the local population as a whole
- A better understanding of service user/patients' views in identifying particular service needs/gaps in services and feedback on how well services are meeting the requirements of local communities, improving the quality of care
- Continuing to build good and trusting relationships
- The ability to inform/consult with local communities on the work of the Trust, including service developments

Membership is important in helping to make the Trust more accountable to the people we serve, to raise awareness of mental health, community health and learning disabilities and helps the Trust to work in partnership with our local communities.

The membership structure for the Trust is made up of two categories of membership:

- Public Members - Anyone aged 12 and over living in England can become a member. Public membership is sub-divided into four constituencies which reflect the areas within which the Trust delivers services, one of which - Bedford, Luton, Milton Keynes - also includes the rest of England
- Staff Members - All staff who are on permanent or fixed term contracts that run for 12 months or longer automatically become members, unless they opt out. Staff who are seconded from our partnership organisations and are working in the Trust on permanent or fixed term contracts that run for 12 months or longer are also automatically eligible to become members. Staff are members of one of two sub-groups which are linked to their different fields of work – clinical or non-clinical.

Membership size and breakdown

Our aim is to establish and maintain a broad and engaged membership that is evenly spread geographically across the areas we serve and reflects the ages and diversity of our local population.

Membership size and movements	
Public constituency	**Last Year (2023/24)**
At year start (April 1)	4,901
New members	49
Members leaving	118
At year end (March 31)	4,832
Staff constituency	**Last Year (2023/24)**
At year start (April 1)	11,932
New members	1,150
Members leaving	3,758
At year end (March 31)	9,324

Patient Constituency	Last Year (2023/24)
At year start (April 1)	0
New members	0
Members leaving	0
At year end (March 31)	0
Analysis of current membership	
Public constituency	**Number of members**
Age (years):	
0-16	0
17-21	0
22+	4,281
Ethnicity:	
White	3,614
Mixed	100
Asian or Asian British	417
Black or Black British	278
Other	17
Socio-economic groupings*:	
AB	1,208
C1	1,445
C2	940
DE	1,141
Gender Analysis	
Male	1,836
Female	2,869

The analysis section of this report excludes:
- 551 public members with no dates of birth, 404 members with no stated ethnicity and 127 members with no gender.

Membership strategy

During the year, the Trust developed and a new Membership Strategy, having worked with members to gather their views. The Strategy was approved by the Board in November 2023 and by the Council of Governors in December 2023. It runs for three years until 2026 and includes the following priorities:

- Establish a membership that is representative of the population served by EPUT
- Communicate effectively with members and ensure their views are represented within EPUT
- Develop a process to ensure membership engagement operates across the system and with Integrated Care Boards

Each priority has key milestones to be achieved for each year of the Strategy and a series of sub-actions have been identified to achieve each milestone. The sub-actions are detailed in an implementation plan which will be overseen by the Council of Governors' Membership Committee.

The Strategy has been developed as a live document which will remain flexible and can therefore reflect changes in health and care provision in the future.

Engagement and recruitment of members

The Membership Strategy includes a priority to establishment a membership that is reflective of the population served. This includes comparing membership demographics with national data to identify areas of under-representation for targeted work to be completed.

During 2023/24, the Trust held a series of Your Voice meetings, both face-to-face and virtually, as a primary method of engagement. Meetings were chaired by a member of the Council of Governors and included a short presentation on new innovations, services and plans followed by an open forum allowing members to ask questions of and express views to senior staff in the Trust.

The meetings were well-attended in some areas, and work is underway to encourage greater attendance in future for other areas.

Members are also kept up to date with developments at the Trust by:

- Direct communication
- The Trust's website
- Following the Trust on social media
- Attending public meetings of the Board of Directors and Council of Governors
- Attending locality based patient/carer events
- Attending the Annual Members' Meeting
- Attending Patient Forums

Paul Scott Chief Executive
Essex Partnership University NHS FT
27 June 2024

GLOSSARY

BAME Black Asian and Minority Ethnic

LGPS Local Government Pension Scheme

CBI Confederation of British Industry

MH Mental Health

CCG Clinical Commissioning Group MHS Mental Health Services

CHS Community Health Services MHSDS Mental Health Services Data Set

COG Council of Governors

NEP North Essex Partnership NHS Foundation Trust

COVID19 Coronavirus

NHS National Health Service

CPA Care Programme Approach

NHSI NHS Improvement

CQC Care Quality Commission

NHSE/I NHS Executive / Improvement

CPR Castle Point and Rochford

NHS OF NHS Oversight Framework

DQMI Data Quality Maturity Index

NICE National Institute for Health and Care Excellence

EPUT Essex Partnership University NHS Foundation Trust

OBD Out of area Bed Day

ERS Employer Recognition Scheme

PFI Private Finance Initiative

FEP First Episode Psychosis

PSF Provider Sustainability Funding

FRF Financial Recovery Fund

SE South Essex

SEPT South Essex NHS Foundation Trust

PHEV Plug In Electric Vehicle

FFT Friends and Family Test

PLICS Patient Level Information and Costing Systems

FREED First episode Rapid Entry intervention for Eating Disorders

FT Foundation Trust

SEPT South Essex Partnership NHS Foundation Trust

FTE Full Time Equivalent

SID Senior Independent Director

F2SU Freedom to Speak Up

SIRO Senior Information Risk Owner

GP General Practitioner

SOS Southend-on-Sea

HSE Health and Safety Executive

SRO Senior Responsible Officer

IAPT Improving Access to Psychological Therapies

STP Sustainability and Transformation Partnership

KPI Key Performance Indicator

ICS Integrated Care System

KSF Knowledge and Skills Framework

STOMP STopping Over-Medication of People with learning disabilities, autism or both

LA Local Authority

WE West Essex

LGBTQ+ Lesbian, Gay, Bisexual, Transgender, Questioning

WTE Whole Time Equivelent

2023/24 INDEX

SECTION A: CERTIFICATE FOR ANNUAL ACCOUNTS

SECTION B: ANNUAL ACCOUNTS AND NOTES TO THE ACCOUNTS

Statement of the Chief Executive's Responsibilities as the Accounting Officer of Essex Partnership University NHS Foundation Trust

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

NHS England has given Accounts Directions which require Essex Partnership University NHS Foundation Trust (the 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 the Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 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 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*.

Paul Scott
Chief Executive
27 June 2024

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Essex Partnership University 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 Essex Partnership University NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The overall responsibility for risk management within the Trust rests with me and the Executive Management team, along with the requirements to meet all statutory requirements and adhere to the guidance issued by NHS England and the Department of Health and Social Care in respect of governance. As the Accountable Officer, I am accountable for ensuring that the Trust can discharge its legal duty for all aspects of risk. I have overall responsibility for the management of risk and for maintaining a sound system of internal control.

Leadership arrangements for risk management are detailed in the Trust's Risk Management and Assurance Framework, further supported by the Board Assurance Framework and individual job descriptions. The Risk Management and Assurance Framework outlines our approach to risk and the accountability arrangements including the responsibilities of the Board and its committees, Executive Directors and all staff.

Active leadership from all managers at all levels to ensure effective risk management is a fundamental part of an integrated approach to quality, corporate and clinical governance, performance management and assurance.

The Senior Director of Corporate Governance has delegated responsibility for the Trust's Board Assurance Framework and for ensuring the implementation of the risk management framework within services. All Executive Directors have responsibility to identify and manage risk within their specific areas of control in line with the management and accountability arrangements in the Trust. Directorates and Care Units have identified leads for risk management.

The Board and its committees receive and scrutinise the risks to achieving our strategic objectives through the Board Assurance Framework. The Audit Committee has delegated responsibility for developing, maintaining and monitoring the risk management and assurance systems within the Trust and specifically the Board Assurance Framework. Care Unit and corporate directorate team meetings review their Risk Registers and the Trust's Executive Operational Group regularly reviews the Corporate Risk Register. All members of staff have an important role to play in identifying, assessing and managing risk.

To support staff, the Trust engenders a fair and open environment and does not seek to apportion blame. Where staff feel that raising issues or concerns may compromise them or may not be effective, they are encouraged to follow alternative feedback mechanisms, including through the Freedom to Speak up Guardian and/or the Trust's Freedom to Speak Up/Whistleblowing policy.

The Trust ensures that staff are equipped to manage risk in a variety of ways and at different levels of strategic and operational function. Staff are trained in various aspects of risk management, including as part of the on-boarding process for new staff. The training is designed to provide an awareness and understanding of the risk management and assurance framework, the risk management process and to give practical experience of completing risk assessments. Additional training is made available to all levels of staff, covering areas such as fire safety, health and safety, moving and handling, resuscitation and first aid. The Trust regularly shares information with all staff to support learning from good practice, experience and lessons learnt from incidents or near misses. The Trust uses QI methodology to encourage staff to learn from good practice. Local improvement data is shared and visible to teams so that they can learn from, scale up and spread what works well.

The risk and control framework

Key elements of the risk management framework

The Trust considers risk management to be an intrinsic part of our governance and quality frameworks and an essential element of the entire management process and not a separate entity. The management of risk underpins the achievement of the Trust's strategic objectives, and effective risk management is imperative to provide a safe environment and improved quality of care for service users and staff.

Risk management including clinical, non-clinical, corporate, business and financial risks is intrinsic in the operational and strategic thinking of every part of service delivery within the organisation and applies to all staff. Risk management processes involve the identification, evaluation and treatment of risk as part of a continuous process aimed at helping the Trust and individuals to reduce the incidence and impact of the risks they face.

The Trust's Risk Management and Assurance Framework details our risk management arrangements. Potential risks are identified from a variety of sources including risk assessments, risk registers, incidents, safety alerts, management, complaints, claims, internal/external reviews, and staffing trends. The framework overarches both clinical and non-clinical risk management, and defines risk and identifies individual and collective responsibility for risk management within the organisation. It also sets out the Trust's approach to the identification, assessment, scoring, management and monitoring of risk. The framework also includes the Trust's risk appetite statement for the levels and types of risk the Trust is prepared to accept in pursuance of its strategic priorities by considering the Trust's position against a range of factors including national policy, system requirements and local plans and pressures.

The Trust manages its most significant current and future potential risks to the achievement of our strategic objectives through the Board Assurance Framework that provides a structure for the effective and focused management of the principal risks. Risks are assessed by using a 5 x 5 risk matrix where the total score is an indicator as to seriousness of the risk. Each risk is allocated an Executive Director lead and a lead committee of the Board, and these risks are reviewed at committee meetings. The Board reviews the complete Board Assurance Framework at its meetings in public.

Quality governance

In 2023/2024, the Trust continued to develop an accountability framework as an executive management system to oversee performance and gain assurance in an integrated, consistent and

transparent way, starting with the care units and adding corporate directorates during the year. The framework covers five domains:

- Quality and Safety
- Operational Performance
- Workforce and Culture
- Finance
- External relations

Maintaining an effective quality governance system supports our compliance with national standards and we are committed to the continuous improvement of our systems. The key quality governance committee is the Quality Committee, a standing committee of the Board that is chaired by a Non-Executive Director. The Committee seeks assurance that high standards of care are provided, that quality improvement and learning is embedded in the Trust, and ensures that adequate and appropriate governance structures, processes and controls are in place across the organisation. Groups that provide assurance reports into the Quality Committee include those focused on safeguarding, medicines management, infection control and health & safety.

The Board receives regular quality and performance reports at its meetings in public. The quality report provides the Board with assurance related to quality across the Trust, incorporating two domains of quality assurance and quality improvement. Quality control is covered in the quality and performance score card report that contains quality measures at an organisational level and provides an oversight of strategic performance and risk issues. The quality of performance information is assessed through the Data Security Protection Toolkit.

We aspire to provide care of the highest quality, working with people who use our services. This aspiration is supported by our quality management system, which includes quality planning, quality control, quality assurance and quality improvement. We embrace continuous improvement and learning through our established quality improvement programme. We provide training for all staff to help them develop the skills they need to lead change and deliver improvements to patient experience and outcomes, focusing on what matters most to our service users and staff.

The Trust is registered with the Care Quality Commission (CQC) and is fully compliant with the CQC's registration requirements. Additional conditions of registration are placed on the Trust's services for people requiring nursing or personal care at both Clifton Lodge and Rawreth Court Nursing Homes, specifically:

- A requirement to have a registered manager for each site
- A maximum of 35 beds provision at each site

The CQC published two reports pertaining to the Trust's services in 2023/24:

- April 2023 – Acute wards for adults of working age and PICU, following inspections in October 2022
- July 2023 – Core Services and Well-Led, following an inspection in November 2022

The Trust is rated 'requires improvement' by the CQC, with the rating for the caring domain being good.

In year, the CQC undertook an unannounced focused inspection of Rawreth Court Nursing Home in September 2023 with the report published in November 2023. The service remained rated as 'requires improvement', with the issuing of two section 29A warning notices for Regulations 12 and 17.

The Trust developed a quality improvement plan in response to all these inspection reports which address areas for improvement and is monitored on a weekly basis.

As at the end of 2023/24:

- There were 346 actions addressing 78 'must do/ should do' recommendations made by the CQC
- 78% of actions in response to the CQC recommendations completed
- 17% of actions ongoing and on track for delivery
- Of which, 4% having been through the Evidence Assurance Group and closed. Note: closure of actions has a lag phase from actions complete as we look to provide evidence of both achievement of actions and sustainability of impact.

A small number of actions (5%) have required a reassessment and subsequent extension to the initial timelines. Recovery timelines are agreed based on an understanding of the cause for delay. Oversight is through the Executive Operational Committee on a monthly basis and reported to the Board of Directors and system partners. Slippage in timelines have been where there are co-dependencies with external and or wider transformation programmes; e.g. new medicines management-training program which incorporates the CQC findings and other changes planned by the Trust and upgrades to our current electronic systems.

The CQC also undertook an unannounced focused core inspection of forensic services at Brockfield House in March 2024. The Trust is awaiting the final report following this inspection.

Embedding risk management in the activity of the organisation

Risk management is embedded throughout the Trust's operational structures, with emphasis on ownership of risk within the care units and directorates supported by the Risk and Compliance team. Directorates are responsible for maintaining their own risk registers that feed into the Trust's Corporate Risk Register. Local risk registers are reviewed at monthly care unit meetings and shared with the assurance team. Directorate representatives attend key committees of the healthcare governance framework ensuring formal channels of reporting, wide staff involvement and sharing of learning. The implementation of incident management and other risk-related policies and procedures throughout the Trust ensures the involvement of all staff in risk management activity.

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

Trust major risks

The Board Assurance Framework includes nine risks that align with the Trust's strategic objectives. Some risks and target scores reflect multi-year programmes. The lead Board committees review and discuss the controls and assurance for each of their assigned risks, including the actions identified to address gaps and whether there should be any changes to the current and/or target risk scores. The Audit Committee has responsibility for ensuring the Trust has good risk management processes in place, which operate effectively. To avoid duplication, the Audit Committee does not discuss in detail any risks that are the responsibility of other committees.

As at 31 March 2024, the Trust identified the most significant risks to the achievement of its strategic objectives as being:

- SR1: If we do not invest in safety or effectively to learn lessons from the past then we may not meet our safety ambitions resulting in a possibility of experiencing avoidable harm, loss of confidence and regulatory requirements. 2023-24 was the third and final year of the Safety First Safety Always strategy and over the last three years the Trust has focused on becoming a more open, responsive and learning organisation with an ambition to modernise services in co-production with patients, families, carers and staff. We have made significant progress but know there is more to do, setting out our Quality of Care Strategy, which is underpinned by a new executive led clinical governance structure and a quality assurance framework. (Risk Score 15)

- SR2: If we do not adequately address and manage staff supply and demand then we may not have the right staff, with the right competencies, in the right place at the right time to deliver services, resulting in potential failure to provide optimal patient care / treatment and the resultant impact on quality of care (safety, effectiveness and experience). The Trust has significant activity to transform our workforce through investment, international recruitment, enhanced oversight of daily staffing and surge planning. Our Time to Care Programme is a functional redesign of our inpatient service delivery ensuring the best quality care for our patients and outstanding experience for our staff. (Risk Score 20)

- SR3: If EPUT does not adapt its infrastructure to support service delivery then it may not have the right estate and facilities to deliver safe, high quality care resulting in not attaining our safety, quality and compliance ambitions. The Trust approved its strategy in January 2023 with an ambition of being the leading health and wellbeing service in the provision of mental health and community services. An Estates strategy is in its final stages of development to support the delivery of the clinical care model. (Risk Score 15)

- SR4: If we do not effectively address demands, then our resources may be overstretched resulting in an inability to deliver high quality safe care, transform, innovate and meet our partnership ambitions. The Trust has implemented the target operating model to enhance Place based care and increase collaborative working arrangements with system partners. (Risk Score 20)

- SR5: If EPUT is not open and transparent, with the correct governance arrangements in place them it will not serve the Lampard Inquiry effectively or embed learning from past failings resulting in undermining our safety ambitions. The high profile independent inquiry was converted to a statutory footing in 2023 and the Trust continues to fully cooperate with the inquiry team and has in place a programme team to ensure timely and effective responses. The Trust has continued to take actions to ensure systematic and sustained embedding of learning. (Risk Score 20)

- SR6: If we experience a cyber-attack then we may encounter system failures and downtime resulting in a failure to achieve our safety ambitions, compliance, and consequential financial and reputational damage. The Trust achieved cyber essentials plus accreditation and continues to have in place business continuity plans for IT disruption. (Risk Score 15)

- SR7: If EPUT does not have sufficient capital resource, e.g. digital and EPR, then we will be unable to undertake essential works or capital dependent transformation programmes, resulting in non-achievement of some of our strategic and safety ambitions. The Trust has a prioritised capital plan and is actively engaged within the system finance meetings where accountability for capital resources is held. (Risk Score 20)

- SR8: If EPUT (as part of MSE ICS) does not effectively and efficiently manage its use of resources, then it may not meet its financial control total, resulting in potential failure to sustain and improve services. Internally EPUT has improved its financial maturity (demonstrated by internal audit reviews) and both our Executive Chief Finance Office and their deputy are actively involved engaged within the system finance meetings. The Trust recognises the financial challenges and associated risks that exist at both local, ICS and a National levels. (Risk Score 20)

- SR9: If we do not have the required capability and expert knowledge to deliver the digital and data strategy, then the Trust may fail to achieve strategic ambition. Specifically, embedding a digital mind-set and culture, which may result in limitations in our ability to procure and implement the appropriate technology to support the integration of care closer to where our service users live. And to support staff to carry out their duties effectively; threaten the development of our patient facing technologies to support our service users, families and carers; and stall our capability and agility to use data to inform both direct care and insight driven decision making. (Risk Score 15)

Risks are identified through many sources such as risk assessments, clinical benchmarking, audit data, clinical and non-clinical incident reporting, complaints, claims patient and public feedback, stakeholder and partnership feedback, national and regional risk registers held by NHS England / local ICSs and internal/external assessment, including Care Quality Commission inspection reports.

At Essex Partnership University NHS Foundation Trust, we believe that every incident offers an opportunity to learn. The reporting of incidents is a fundamental building block in achieving an open, transparent and fear-free way of fulfilling this aim. Out structures and frameworks promote learning, escalation, treatment and mitigation of, or from, risk.

We recognise that the current rapidly changing health and social care landscape – both nationally and locally – combined with wider system pressures both poses potential risks to the sustainability of high quality service provision for the populations we serve and our financial sustainability as well as providing opportunities for further improvement. The Board continuously reviews the risks that may affect the Trust's achievement of its strategic priorities.

NHS foundation trust licence condition compliance

The Trust's risk and governance frameworks as described in this statement ensure that the organisation can confirm validity of its governance arrangements as required under NHS provider licence section 4(NHS2 Governance arrangements). The Trust Executive team carries an annual review of its compliance with these principles, systems and standards of good corporate governance and flags for the Board's attention those areas where action is required. The Board of Directors reviews the Corporate Governance Statement itself, with a summary of the evidence supporting it.

During the year, the Board used a number of mechanisms to gain positive assurance that the Trust continued to comply with those requirements, in preparation for the making of the statement. These included regular reporting from Board Committees regarding their levels of assurance in respect of the matters that they were delegated to oversee; receiving patient and staff stories to hear directly about the quality of care provided to patients; regular reviews of the Board Assurance Framework and reviewing the risks recorded within it; and regular consideration of key business plans, and updates on progress for the various projects within the Trust's strategic and transformation programme.

A self-assessment of compliance against the Trust's licence is undertaken by the Senior Director of Corporate Governance and reviewed by the Finance and Performance Committee. The Trust also has a programme of internal audit in place aligned to key areas of potential financial and operational risk. The Board has not identified any principle risks to compliance with provider licence section.

Involvement of stakeholders

The interests of our patients, carers, staff, our members and local partner organisations are embedded in our values and demonstrated in our ways of working. Our Working in Partnership with People and Communities strategy sets out our ambition for involving stakeholders across all functions. The Trust has a continuing positive relationship with stakeholders and staff through the delivery of our strategic plans and delivering performance against contracts.

Risks to public stakeholders are managed through formal review processes with NHS England and local commissioners through joint actions on specific issues, such as emergency planning and learning from incidents, and through scrutiny meetings with upper tier local authorities' Health and Overview Scrutiny Committees. We work across the local health economy, including integrated care systems, particularly on the delivery of integrated care pathways. This way of working has been particularly effective in our collaborative working arrangements for specialist mental health services and community services.

The interests of our patients are overseen by the Director of Patient Experience through various forums, including our Foundation Trust membership, as well as by including representatives in the coproduction of services, quality improvement initiatives and other patient-led led programmes. The Council of Governors represents the interests of members (both public and staff) as well as appointing organisations, and has a role to hold the Non-Executive Directors both individually and collectively to account for the performance of the Board.

The Trust's workforce

Staffing

During the year, the Trust's workforce planning has focused on ensuring our operational care units have bespoke recruitment, retention and culture plans. This had led to a Trust wide vacancy rate of 9.1 percent and a turnover rate of 9.2 per cent in March 2024, down from 10.1 percent and 10.6 percent in March 2023. We have made particularly good progress in registered nursing. In 2023/24, a record number of preceptors joined the Trust, and our international recruitment programme concluded, with over 220 international colleagues joining the Trust.

Safer staffing and the creation of flexibility within the workforce has been integral in the Trust's response to the staffing challenge and subsequent, increased demand pressures have been monitored by the Board. The Trust has effective systems and processes in place to assure the Board that staffing is safe, sustainable and effective and supports provision of a quality service. The Trust regularly reviews staffing establishments, ensuring the right number and skill mix of staff are available to meet the needs of people using our services. These reviews include use of evidence based tools where available, national guidance, reviews of quality measures and outcomes and professional judgement.

We did not carry out an establishment review in 2023, but staffing was continuously reviewed through the Safer Care standards to proactively and reactively respond to service demand and staffing challenges. We have now launched our 'Time to Care' programme with the aim of releasing significant and quantifiable time to care on inpatient mental health wards through:

1. **A staffing model redesign** to increase capacity, safety and quality on the wards
2. **Process improvement**, identifying quick wins, plus medium and longer-term solutions and embedding effective processes and training
3. **Data and Technology** to improve the use of current data and technology to support teams and delivery of care
4. **Engagement, Inclusivity and Wellbeing**, co-designing and implementing proposals with staff and Lived Experience representatives

Developing the Time to Care programme has involved the voice of our patients and staff, including the views of clinical leads, ward managers and matrons on how to release time and provide more clinical therapeutic input for patients. A number of staff have been trained in the Mental Health Optimal Staffing Tool supported by NHS England, a tool used to assess the skills and competencies required to care for the dependency and acuity of patients. Evidence from using this tool is embedded in the organisation to provide an evidence based approach to establishment reviews.

During the year, we prioritised increasing the number of registered staff on each ward, achieving full staffing in mental health inpatient nursing and urgent and emergency care for the first time. In 2024/25, we are planning to increase staffing numbers across all disciplines, including new roles focused on supporting patients' families and carers.

Our electronic roster system for nursing staff details the type and number of staff required to meet patient care and treatment needs. We work in partnership with bank and agency providers to bridge gaps in rotas, but have also reduced usage by 39 per cent and spend by 49 per cent. As part of our

efforts to improve practice and support the system's efforts to increase efficiency savings, a temporary staffing reduction plan is in place for 2024/25, with a strong focus on executive scrutiny, rostering discipline and reducing expensive and long-term agency use.

On a daily basis, professional teams carry out daily staffing reviews in line with standard operating procedures, taking into account staff numbers, skill mix and competencies, patient acuity and dependency and activity. Where indicated staff are used flexibly to provide cover and risks are formally escalated for action.

Establishment and skill mix reviews are regularly presented to the Board, whilst rotas for trainee doctors are monitored for compliance with oversight from the Guardian of Safe Working and People, Equality and Culture Committee (PECC). All changes to skill mix and new roles undergo a quality impact assessment which signed off by the Executive Nurse and Executive Medical Director. The PECC also oversees the Trust's wider talent management, leadership development and training initiatives, which are all designed to create resilience and capacity within the workforce.

During the year, the Trust also responded to industrial action by junior doctors and consultants, using emergency planning protocols to establish cover rotas and agree pay and escalation procedures. Good relations with between medical leadership, medical staffing teams and the BMA have been maintained and junior doctors have been supported to take strike action. As a result, there were no escalations during industrial action. We are using the lessons learned to update our business continuity plans to ensure we are prepared for any further industrial action in the future.

NHS pension scheme

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

Equality, diversity and human rights legislation

Control measures are in place to ensure that all the Trust's obligations under equality, diversity and human rights legislation are complied with. In addition, strategies are in place to further equality, diversity and inclusion.

Financially viable programmes are subject to Quality Impact Assessment and Equality Impact Assessment as necessary, ongoing monitoring to ensure that efficiencies do not adversely impact on the quality of service delivery.

Climate change obligations

The Trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance from the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the adaptation reporting requirements are complied with.

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

As Accounting Officer, I have responsibility for ensuring economy, efficiency and effectiveness of the use of resources and am supported by my Executive team who are responsible for overseeing the day-to-day operations of the Trust. Performance in this area is monitored by the Board on a regular basis and through assurance reports from its standing committees. The Board discusses and approves the Trust's strategic and annual plans and budgets, taking into account the views of the Council of Governors.

Throughout the year the Board receives regular finance, financial viability, quality and performance reports which enable it to monitor progress in implementing the annual plan, and strategic objectives. The Board's quality and performance scorecard provides assurance to the Board on the delivery of Trust-wide performance, finance and compliance matters and seeks to demonstrate how the Trust is improving quality of life for the communities it serves.

The key processes embedded within the Trust to ensure that resources are used economically, efficiently and effectively centre on a robust budget-setting and control system which includes activity related budgets and periodic reviews during the year. These are considered by the Executive Directors, the Board's Finance and Performance Committee and the Board. The budgetary control system is complemented by Standing Financial Instructions, a Scheme of Delegation and financial approval limits. The Trust's Audit Committee supports the Board and me as the Accounting Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management and the control environment. The scope of the Audit Committee's work is defined in its terms of reference and encompasses all the assurance needs of the Board and the Accounting Officer. The Audit Committee is involved with the work of internal audit and external audit and is chaired by a Non- Executive Director.

Information governance

The Trust recognises the vital importance of data security and protection, as we hold sensitive personal data related to a large number of individuals, both patients and staff. The Trust has appropriate data security arrangements in place, including password-restricted access to systems and information, and systems to record all access to records. All staff receive regular update training on information governance and security measures; and the Trust takes appropriate disciplinary action against staff who have improperly accessed information.

The Executive Director of Strategy, Transformation and Digital is the Executive lead for information governance and is supported by key staff within the Data Protection Officer Office, Information Governance Team and directorate leads.

The Trust has a nominated Caldicott Guardian, which is the Executive Medical Director and the Executive Director of Strategy, Transformation and Digital is the Senior Information Risk Owner (SIRO).

Policies are in place that are compliant with NHS guidelines, and incident-reporting procedures are in place and utilised by staff. An Information Governance Steering Committee forms part of the Trust's healthcare governance framework and the Board receives reports on compliance with the Data Security and Protection Toolkit (DSPT). The arrangements are in place to manage and control risks to information and data security and the Board has been assured by the SIRO, in the annual DSPT assessment, that these are effective.

The Trust regularly reviews and updates its cyber assurance approach to align with the NCSC Cyber Assurance Framework (CAF).

There were four reportable incidents via the Data Security Incident Reporting Tool in 2023/2024. All of these incidents met the threshold for notification to the Information Commissioner's Office and the Trust received an outcome of "no further action required" based on the internal actions already undertaken. Ongoing training and awareness programmes are carried out with individuals, teams and Trust wide to reiterate the Trust's commitment to maintaining the confidentiality of personal information.

Data quality and governance

A fundamental requirement for the Trust to deliver safe, high quality care is provision of timely and effective monitoring reports, using complete data. Key performance indicators are reported regularly to the Board as part of performance monitoring arrangements. Scrutiny of the information contained within the indicators and its implications for clinical outcomes, patient safety and patient experience takes place at the Board committees.

Reviews of data quality and the accuracy, validity and completeness of Trust information fall within the remit of the Audit Committee, which is informed by the reviews of internal and external audit management assurances.

The Trust achieved an average Data Quality Maturity Index (DQMI) score of 93.6% for Q1, and 94.7% for Q2, and achieved an average Data Quality Maturity Index (DQMI) of 95.5% for the most recent reporting period (Q3 2023/24) which is 13.7% above the national average (noting that Q4 is yet to be published).

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Essex Partnership University NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

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

Progress against actions are monitored by the Executive team and the Audit and Quality Assurance Committees. The following processes have been applied in maintaining and reviewing the effectiveness of the system of internal control:

- The Board met six times in public during 2023/2024 and received a report at each meeting relating to finance, performance and quality, inviting scrutiny and challenge.
- A structure of standing committees beneath the Board provides a layered approach to monitoring, scrutiny and challenge of systems of internal control.
- A comprehensive quality, assurance and risk structure is in place.
- The Board has identified strategic risks facing the Trust that are included in the Board Assurance Framework, has monitored the controls in place and the assurances available to ensure that these risks are being appropriately managed.
- The Board receives the Board Assurance Framework at each meeting as well as assurance reports from all standing committees.
- Executive Directors ensure that key risks have been identified and monitored within their directorates and the necessary action taken to address them. They are also directly involved in monitoring and reviewing the Board Assurance Framework, and attend the assigned lead committees to report on risk within their areas of control.

- The Audit Committee provides the Board with an independent and objective view of arrangements for internal control and risk management within the Trust and ensures the internal audit service complies with mandatory audit standards. It approves the annual audit plans for internal and external audit activities, receives regular progress reports and individual audit reports, and ensures that recommendations arising from audits are actioned by Executive management.

- The Quality Committee also receives internal audit reports at each of its meetings pertaining to quality related updates. A Non-Executive Director member of the Quality Committee is also a member of the Audit Committee.

- A clinical audit programme is in place to drive up quality standards. The Quality Committee considers the clinical audit plan, and management ensures that appropriate action is being taken to address any areas of under-performance. An annual report of results is produced.

- The Trust has a local anti-crime and investigation service in place. The Audit Committee receives regular reports from the local anti-crime specialist.

- Internal audit services are outsourced to TiAA who provide an objective and independent opinion on the degree to which risk management, control and governance support the achievement of the Trust's agreed objectives. Individual audit reports include a management response and action plan. Internal audit routinely follows up actions with management to establish the level of compliance, and the results are reported to the Audit Committee.

- The comprehensive programme of internal audit is aligned to key areas of potential financial and operational risk. My review is also informed by the work through the year of the Board of Directors and of Board sub-committees, as described in the risk and control framework section above. I have also been informed by the work of the internal auditors during the year, working to a risk-based plan agreed by the Audit Committee, and the action plans resulting to address areas for improvement.

Head of internal audit opinion

In accordance with the Public Sector Internal Audit Standards (PSIAS), internal audit provides the Trust with an independent and objective opinion to the Accounting Officer, the Board of Directors and the Audit Committee on the degree to which risk management, control and governance support the achievement of the Trust's agreed objectives.

Internal audit issued eight reports in 2023/2024 – see table below.

	Audit	Opinion	Status
1.	Efficiency Savings	Reasonable	Final
2.	Core Financial Assurance excluding Payroll Controls	Reasonable	Final
3.	Temporary Staffing	Reasonable	Final
4.	Board Assurance Framework	Reasonable	Final
5.	Recruitment Processes	Limited	Final
6.	Safeguarding Arrangements	Reasonable	Final
7.	Compliance with Policies - Site Visits	Limited	Final
8.	Data Security and Protection Toolkit	Substantial	Draft

Site Visits – The internal audit limited assurance review focused on a set of policies and procedures at a selection of ten sites. The auditors concluded that there was generally a sound system of control designed to achieve system objectives. However, that there was inconsistent application of the processes across locations visited placing system objectives at risk (limited assurance). Management action is being taken to address the eleven recommendations made by the auditors and internal audit will routinely follow up to establish levels of compliance and report to the Audit Committee.

Recruitment Processes - The internal audit limited assurance review focused on a set of policies and procedures. The auditors concluded that there was generally a sound system of control designed to achieve system objectives. However, that there was non-compliance with the application of the processes in practice (limited assurance). Management action is being taken to address the thirteen recommendations made by the auditors and internal audit will routinely follow up to establish levels of compliance and report to the Audit Committee.

The framework for monitoring and review of action in response to internal audit reports is established and status for each reported at each Audit Committee meeting.

For the twelve months ended 31 March 2024, the head of internal audit opinion for Essex Partnership University NHS Foundation Trust is as follows:

The annual report from internal audit provided:

Reasonable - a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The internal audit service provides Essex Partnership University NHS Foundation Trust with reasonable assurance that there is a sound system of internal control designed to meet the Trust's objectives and that controls are being applied consistently for the areas reviewed in 2023/24.

Conclusion

My review confirms that the Trust has an adequate and effective system of internal control and in considering any significant issues, the following has been recognised:

- The CQC enforcement action arising from the inspection of Rawreth Court Nursing Home is consider a significant internal control issue for EPUT. We consider that the Trust's governance structure enabled a prompt response to the Section 29A warning notices received and the four 'must do' recommendations made by the CQC in their report published November 2023. The Trust initiated an internal Intensive Support Group and has made significant progress against the actions arising from the CQC report. There has been and will continue to be substantial oversight by the Executive team to ensure improvements are sustained over time. The CQC rating of our acute mental health wards for adults and our adult psychiatric intensive care unit (published April '23 and in July 2023) is considered a significant internal control issue for EPUT. We have made progress in delivering our quality improvement plan, working with our system partners, to provide quality assurance for both impact and sustainability.

- The Lampard Inquiry is considered a significant matter for EPUT, both in regards to its resource requirements and its reputational and resourcing implications. The Trust has therefore used its best knowledge, information and external advice to provide for the estimated financial resources as part of its final accounts process.

- The Mid and South Essex Integrated Care System financial deficit is considered a significant matter for EPUT, in regards to financial management and the Trust's contribution to the system financial control total and the potential for the deficit to prejudice the achievement of the Trust's priorities to sustain and improve services - for example, the achievability of our Time to Care Programme and support for the capital investment for a new Electronic Patient Record.

Paul Scott
Chief Executive
Essex Partnership University NHS Foundation Trust
27 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

Opinion

We have audited the financial statements of Essex Partnership University NHS Foundation Trust for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 29.

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

In our opinion the financial statements:

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

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Foundation Trust's ability to continue as a going concern for a period to the end of June 2025

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice[1]

In our opinion:

- other information published together with the audited financial statements is consistent with the financial statements; and
- the parts of the Remuneration Report and Staff Report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2023/24 and is not misleading or inconsistent with other information forthcoming from the audit; or
  We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

Responsibilities of the Accounting Officer

As explained more fully in the 'Statement of the Chief Executive's responsibilities as the Accounting Officer of Essex Partnership University NHS Foundation Trust' set out on pages 2 to 3 the Chief Executive is the accounting officer of Essex Partnership University NHS Foundation Trust. The accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors intend to cease operations of the Foundation Trust, or have no realistic alternative but to do so.

As explained in the Governance Statement, the accounting officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Foundation Trust's resources.

Auditor's responsibility for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are the National Health Service Act 2006, the Health and Social Care Act 2012 and the Health and Care Act 2022, as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how Essex Partnership University NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit, those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Foundation Trust's Board minutes, through enquiry of employees to verify the Foundation Trust policies, and through the inspection of other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting

framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance through improper recognition of non-NHS revenue and expenditure relating to yearend accruals and cut-off of liabilities, inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.

- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue and expenditure relating to year end accruals and cut-off of liabilities, we tested income and debtors to supporting documentation to assess appropriate recognition of revenue. We also tested accruals and creditors at year-end to supporting documentation to assess accuracy of liabilities recorded. We completed testing of year-end cut-off arrangements by selecting samples of income and expenditure from either side of the 31 March 2024 balance sheet date and reviewing to supporting evidence to ensure these were recorded in the appropriate financial year.

- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.

- To address the presumed fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in May 2024, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for securing economy, efficiency and

effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Essex Partnership University NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our report

This report is made solely to the Council of Governors of Essex Partnership University NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Debbie Hanson
Ernst & Young LLP

Debbie Hanson (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Luton

27 June 2024

FOREWORD TO THE ACCOUNTS

Essex Partnership University NHS Foundation Trust

These accounts, for the year ended 31 March 2024, have been prepared by Essex Partnership University NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

If you require any further information on these accounts, please contact:

The Executive Chief Finance Officer
Essex Partnership University NHS Foundation Trust
Trust Head Office
The Lodge
Lodge Approach
Runwell
Wickford
Essex SS11 7XX

Telephone: 01268 366000

Paul Scott
Chief Executive
27 June 2024

Statement of Comprehensive Income

	Note	2023/24 £000	2022/23 £000
Operating income from patient care activities	2	507,277	487,150
Other operating income	3	31,462	33,837
Operating expenses	6	(557,196)	(518,259)
Operating surplus / (deficit) from continuing operations		**(18,457)**	**2,729**
Finance income	8.1	4,296	2,147
Finance expenses	8.2	(10,624)	(3,002)
PDC dividends payable		(5,113)	(5,333)
Net finance costs		**(11,441)**	**(6,188)**
Other gains / (losses)	9	(546)	3,343
(Deficit) for the year from continuing operations		**(30,444)**	**(117)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	11.5	(6,258)	-
Revaluations	11.5	12,748	-
Remeasurements of the net defined benefit pension scheme liability / asset	7.4.8	(375)	138
Other reserve movements		70	-
Total comprehensive income / (expense) for the period		**(24,259)**	**21**
Adjusted financial performance (control total basis):			
(Deficit) for the period		(30,444)	(117)
Remove net impairments not scoring to the Departmental expenditure limit	11.5	4,622	96
Remove SOCI impact of capital grants and donations		5	5
Remove non-cash element of on-SoFP pension costs		98	111
Remove impact of IFRS 16 on IFRIC 12 schemes		4,245	-
Adjusted financial performance surplus / (deficit)		**(21,474)**	**96**

The notes on pages 151-198 form part of these accounts. All income and expenditure is derived from continuing operations.

Statement of Financial Position

	Note	31 March 2024 £000	31 March 2023 £000
Non-current assets			
Intangible assets	10	11,756	9,361
Property, plant and equipment	11	227,098	221,214
Right of use assets	12.1	43,985	41,286
Investment property	13	18,085	18,620
Receivables	15	166	191
Other assets	7.4.3	113	586
Total non-current assets		**301,202**	**291,257**
Current assets			
Inventories	14	489	449
Receivables	15	20,190	32,485
Non-current assets for sale and assets in disposal groups	16	545	575
Cash and cash equivalents	17	43,378	65,941
Total current assets		**64,602**	**99,449**
Current liabilities			
Trade and other payables	19	(50,669)	(62,267)
Borrowings	21	(9,058)	(5,278)
Provisions	23	(11,576)	(13,710)
Other liabilities	20	(1,610)	(3,382)
Total current liabilities		**(72,913)**	**(84,637)**
Total assets less current liabilities		**292,891**	**306,069**
Non-current liabilities			
Trade and other payables	19	(282)	(554)
Borrowings	21	(78,299)	(61,887)

Statement of Financial Position	Note	31 March 2024 £000	31 March 2023 £000
Provisions			
Total non-current liabilities		**(93,847)**	**(72,726)**
Total assets employed		**199,044**	**233,343**
Financed by			
Public dividend capital		144,861	141,550
Revaluation reserve		78,104	71,534
Other reserves		113	586
Income and expenditure reserve		(24,034)	19,673
Total taxpayers' equity		**199,044**	**233,343**

The Financial statements on pages 144-146 were approved by the Board on 27 June 2024 and signed on its behalf by:

Paul Scott,
Chief Executive

Statement of Changes in Equity for the year ended 31 March 2024

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**141,550**	**71,534**	**586**	**19,673**	**233,343**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	(13,351)	**(13,351)**
(Deficit) for the year	-	-	-	(30,444)	**(30,444)**
Other transfers between reserves	-	10	(98)	88	**-**
Impairments	-	(6,258)	-	-	**(6,258)**
Revaluations	-	12,748	-	-	**12,748**
Remeasurements of the defined net benefit pension scheme liability / asset	-	-	(375)	-	**(375)**
Public dividend capital received	3,311	-	-	-	**3,311**
Other reserve movements	-	70	-	-	**70**
Taxpayers' and others' equity at 31 March 2024	**144,861**	**78,104**	**113**	**(24,034)**	**199,044**

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

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**139,030**	**71,534**	**559**	**19,678**	**230,802**
(Deficit) for the year	-	-	-	(117)	**(117)**
Other transfers between reserves	-	-	(111)	111	**-**
Remeasurements of the defined net benefit pension scheme liability / asset	-	-	138	-	**138**
Public dividend capital received	2,520	-	-	-	**2,520**
Taxpayers' and others' equity at 31 March 2023	**141,550**	**71,534**	**586**	**19,673**	**233,343**

Statement of Cash Flows	Note	2023/24 £000	2022/23 £000
Cash flows from operating activities			
Operating surplus / (deficit)		(18,457)	2,729
Non-cash income and expense			
Depreciation and amortisation	6	14,787	12,810
Net impairments	11.5	4,622	96
Non-cash movements in on-SoFP pension liability		98	111
(Increase) / decrease in receivables and other assets		13,030	(16,830)
(Increase) in inventories		(40)	(11)
Increase / (decrease) in payables and other liabilities		(13,716)	7,571
Increase in provisions		1,404	2,905
Other movements in operating cash flows		-	-
Net cash flows from / (used in) operating activities		**1,728**	**9,380**
Cash flows from investing activities			
Interest received		3,182	1,471
Purchase of intangible assets		(4,762)	(3,168)
Purchase of PPE and investment property		(11,345)	(11,466)
Sales of PPE and investment property		-	2,655
Net cash flows from / (used in) investing activities		**(12,926)**	**(10,507)**
Cash flows from financing activities			
Public dividend capital received		3,311	2,520
Movement on loans from DHSC		(400)	(400)
Capital element of finance lease rental payments		(3,706)	(3,867)
Capital element of PFI		(1,754)	(1,192)
Interest on loans		(59)	(67)
Other interest		-	1
Interest paid on finance lease liabilities		(450)	(411)
Interest paid on PFI		(2,598)	(1,799)

Statement of Cash Flows	Note	2023/24 £000	2022/23 £000
PDC dividend paid		(5,709)	(5,133)
Net cash flows from / (used in) financing activities		**(11,365)**	**(10,348)**
Increase / (decrease) in cash and cash equivalents		**(22,563)**	**(11,475)**
Cash and cash equivalents at 1 April - brought forward		**65,941**	**77,417**
Cash and cash equivalents at 31 March	17	**43,379**	**65,941**

NOTES TO THE ACCOUNT

Summary of Accounting Policies and Other Information

1.1 General Information

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.2 Presentation of Financial Statements

When preparing the financial statements the Trust will in normal circumstances follow the standard format. However, where it is determined that the standard format is not representative in reflecting the true performance of the Trust, the presentation of the primary statements may be amended accordingly.

1.2.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.3 Going Concern

These accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the DHSC Group Accounting Manual (GAM) which outlines the interpretation of IAS1 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the Trust's continued funding and provision of services. The interim financial plan for 2024/25 was approved by the Board of Directors on 17 April 2024 with the final submission, showing an adjusted deficit of £11.1m, made on 12 June 2024. The plan includes the continued provision of services by the Trust and did not identify any circumstances causing the Directors to doubt the continued provision of NHS services.

Against the adjusted financial performance measure, the Trust has reported a deficit of £21,474k (2022/23: £96k surplus).

Our going concern assessment is made up to the end of June 2025. The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period which shows sufficient liquidity for the Trust to continue to operate during that period.

In conclusion, and after making enquiries, the Directors have a reasonable expectation that the services provided by the Trust will continue to be provided by the public sector for the foreseeable future. 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.

1.4 Income

1.4.1 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 2023/24, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements termed Aligned Payment and Incentive (API) contracts. These payments are accompanied by a variable element to adjust income for actual activity delivered.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred, and other income top-ups to support the delivery of services, for example reimbursement of variable activity.

Mental health provider collaboratives

NHS led provider collaboratives for specialised mental health, learning disability and autism services involve a lead NHS provider taking responsibility for managing services, care pathways and specialised commissioning budgets for a population. As lead provider for the East of England Adult Secure Provider Collaborative, the Trust is accountable to NHS England and as such recognises the income and expenditure associated with the commissioning of services from other providers in these accounts. Where the Trust is the provider of commissioned services, this element of income is recognised in respect of the provision of services, after eliminating internal transactions.

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.

1.4.2 Grants and donations

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

1.4.3 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.

1.5 Expenditure on Employee Benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded, defined benefit schemes that cover NHS employer, general practices and other bodies, allowed under the direction of 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.

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.

NEST Pension Scheme

A small number of employees are members of the NEST (National Employment Savings Trust) Scheme. NEST is a defined contribution scheme. This means that the contributions paid in by the employer, the employee, and anyone else are invested and used to build up the employee's own pension pot in accordance with the Scheme's policies.

The contributions are managed by the NEST Corporation, who are a Trustee body representing the employees. The employer shares no gain or loss on those funds. The employer is responsible only for its pension cost contributions and nothing else and does not bear the risks related to the plan rather those risks are borne by employees.

Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme, i.e. the Essex Pension Fund, which is administered by Essex County Council. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

To assess the value of the Employer's liabilities at 31 March 2024, the liabilities have been recalculated from the latest full funding valuation carried out at 31 March 2022, using financial assumptions compliant with IAS19.

To calculate the Employer's asset share, the actuaries have rolled forward the assets allocated to the Employer at the latest valuation date allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from the Fund by and in respect of the employer and its employees.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Re-measurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

1.6 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.7 Property, Plant & Equipment

1.7.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative services;
- it is probable that future economic benefits will flow to, or service potential be provided to the Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably; and
- 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 a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

- they form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

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

Tenant Improvements

Property, plant and equipment are capitalised where they are tenant improvements made on leased properties that cost at least £5,000 and add value to the leased property such that it is probable that future economic benefits will flow to the Trust for more than one year over the remaining lease term.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

1.7.2 Measurement

Valuation

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

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

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

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

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

HM Treasury recommends Land and Building assets are valued every five years, with an interim valuation at the end of the intervening third year. The District Valuer is a professionally qualified

valuer and works in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The Trust carried out an annual assessment of its asset carrying amounts in comparison to values obtained from the District Valuer as at the end of the financial year, to ensure that the carrying amounts of assets do not differ materially from their fair value at the Statement of Financial Position date.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Costs include professional fees and borrowings costs, where capitalised in accordance with IAS 23. Assets are subsequently revalued/assessed for revaluation and depreciation commences when the assets are brought into use. IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

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

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

The Trust applies the following useful lives to property, plant and equipment assets. The lives applied to building assets are based on the latest valuations received from the District Valuer where assets have been revalued.

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:

Main Asset Category	Sub Category	Minimum Useful Life (in years)	Maximum Useful Life (in years)
Buildings - owned	Structure Engineering and installations External works	3 5 5	78 35 78
Buildings – PFI schemes	Structure Engineering and installations External works	59 17 37	62 29 43
Plant, machinery and equipment	Medical and surgical equipment Office equipment IT Hardware Other engineering works	5 5 5 5	15 5 10 30
Furniture and fitting	Furniture	5	10
Motor Vehicles		7	7

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease previously recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the DHSC GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition / Assets Held for Sale

Assets intended for disposal, are reclassified as 'held for sale' once the following 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'. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the net sale proceeds and the carrying amount and is recognised in the income statement. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Depreciation ceases to be charged and the assets are not re-valued, 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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated assets

Donated Assets are capitalised at their fair value on receipt. The donation is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the donation are to be consumed in a manner specified by the donor, in which case, the donation is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

Donated 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.

1.8 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. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and life cycle replacement components of the asset.

Initial Recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent Measurement

Assets are subsequently accounted for as property, plant and equipment as appropriate.
The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost.

The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial application of IFRS 16 liability measurement principles to PFI

IFRS 16 liability measurement principles have been applied to PFI liabilities in these financial statements with effect from 1 April 2023 in accordance with national guidance. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI liabilities have not been restated on an IFRS 16 basis. This is in accordance with the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, any movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.

1.8.1 Impact of change in accounting policy for On-SOFP PFI

IFRS16 liability measurement principles have been applied to PFI arrangement liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. For comparative purposes, the incremental impact of applying the new accounting policy on the allocation of the unitary charge in 2023/24 (note 1.8.1.a) and the primary statements in 2023/24 (note 1.8.1b) is disclosured below.

Note 1.8.1a Impact of change in accounting policy on the allocation of unitary payment

	IFRS 16 basis (new basis) 2023/24	IAS 17 basis (old basis) 2023/24	Impact of change 2023/24
	£000	£000	£000
Unitary payment payable to service concession operator	**6,463**	**6,463**	**-**
Consisting of:			
- Interest charge	2,598	1,486	**1,112**
- Repayment of balance sheet obligation	1,754	968	**786**
- Service element	1,680	1,680	**-**
- Lifecycle maintenance	431	431	**-**
- Contingent rent	-	1,898	**(1,898)**

Note 1.8.1b Impact of change in accounting policy on primary statements

	Impact of change 2023/24
Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:	**£000**
Increase in PFI liabilities	(17,624)
Decrease in PDC dividend payable / increase in PDC dividend receivable	542
Increase in cash and cash equivalents (impact of PDC dividend only)	-
Impact on net assets as at 31 March 2024	**(17,082)**
Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:	**£000**
PFI liability remeasurement charged to finance costs	(5,059)
Increase in interest arising on PFI liability	(1,112)
Reduction in contingent rent	1,898
Reduction in PDC dividend charge	542
Net impact on surplus / (deficit)	**(3,731)**
Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:	**£000**
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(13,351)
Net impact on 2023/24 surplus / deficit	(3,731)
Impact on equity as at 31 March 2024	**(17,082)**
Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	**£000**
Increase in cash outflows for capital element of PFI	(786)
Decrease in cash outflows for financing element of PFI	786
Decrease in cash outflows for PDC dividend	-
Net impact on cash flows from financing activities	**-**

1.9 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Intangible assets are capitalised when they are capable of being used in Trust activities for more than one year; they can be valued; and have a cost of at least £5,000.

Internally generated intangible assets

Internally generated goodwill, mastheads, publishing titles, consumer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

Software

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.
Subsequently, intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost, or the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Purchased computer software licences and internally generated assets are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the useful economic life or licence term.

Amortisation

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

The Trust applies the following useful lives to amortise intangible assets to arrive at the assets residual value.

Main Asset Category	Sub Category	Useful Economic Life Minimum (in years)	Useful Economic Life maximum (in years)
Intangible assets - purchased	Software	2	15
Intangible assets – internally generated	IT	5	15

1.10 Investment Properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, to support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

The Trust currently has properties which are leased to housing associations, other NHS organisations and private tenants, following the decommissioning of the services that were previously rendered from these properties.

1.11 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.

1.11.1 The Trust as lessee

Initial recognition and measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

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.

1.11.2 The Trust as 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 an operating lease.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the head lease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the lease. 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 lease.

Operating leases

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

1.11.3 Initial application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.
The standard was 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 were only 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, as appropriate, for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were 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 asset has a value below £5,000 in relation to the adoption of IFRS16. No adjustments were 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.

1.12 Inventories

Inventories are stated at the lower of cost or net realisable value.

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.

1.13 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 Office of National Statistics (ONS).

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured 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 as a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables and contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses at an amount equal to lifetime expected losses.

At the Statement of Financial Position date, the Trust assesses whether any financial assets, are impaired. Financial assets are impaired, and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows from the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Provision for debtor impairment

A provision will be provided against the recovery of debts, where such a recovery is considered doubtful. Where the recovery of a debt is considered unlikely, the debt will either be written down directly to the Statement of Comprehensive Income, or charged against a provision to the extent that there is a balance available for the debt concerned, and thereafter charged to operating expenses.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2024.

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 23, but is not recognised in the Trust's accounts.

Non clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

1.15 Contingencies

Contingent assets (that is, assets arising from past events where 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 26 where an income of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events where existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 Public dividend capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the pre-audit version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.17 Taxation

The Trust is a Health Service body within the meaning of s519A of the Income and Corporation Taxes Act (ICTA) 1988 and accordingly is exempt from taxation in respect of income and capital gains within the categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation Trust (s519 A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum. There is no corporation tax liability arising in the current financial year.

1.18 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19 Third party assets

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

1.20 Capital commitments

For ongoing capital projects at the balance sheet date, the value of capital commitments will be based

on the value of contracted work not yet completed at the balance sheet date. The value of the capital commitment is disclosed at note 24.

1.21 Cash, bank and overdrafts

Cash, bank and overdraft balances are recorded at the current values of these balances in the Trust's cash book. These balances exclude monies held in the Trust's bank account belonging to patients (see 'third party assets' above). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within creditors. Interest earned on bank accounts, and interest charged on overdrafts is recorded respectively as 'interest receivable' and 'interest payable' in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

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. The value of losses and special payments is disclosed in Note 29.

1.23 Key Sources of Judgement and Estimation Uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provisions

Provisions have been made in line with management's best estimates and in line with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

The Trust's post-employment benefits are rebased periodically subject to life expectancy assumptions as issued by Government Actuary Department. The real discount rate issued by the HM Treasury annually is also applied to the balance to determine the provision required as at the end of the financial year. The real discount rate applicable on 31 March 2024 was 2.45% (the previous year's rate was 1.70%).

The Trust also holds provisions in respect of its obligations to service the Independent Inquiry into Mental Health Deaths in Essex, announced in November 2020. During the year (1 November 2023), the Inquiry was given statutory powers and relaunched as The Lampard Inquiry. On 10 April 2024 Terms of Reference for The Lampard Inquiry were published. Cost assessments relating to the finalised scope set out in the Terms of Reference are included as provisions. The Trust will monitor and review cost assessments as the Inquiry progresses. The real discount rate applicable on 31 March 2024 was 4.26%.

Apart from the above provisions, the Trust has no other material provisions, or provisions which may change materially as a result of any underlying uncertainty.

Pensions

The valuations of the NHS Pensions Scheme liability and the Local Government Pension Scheme are carried out by the schemes' actuaries. These involve a degree of actuarial and financial assumption and estimation.

Assumptions regarding valuation of Investment Properties, Land and Buildings

The Trust's Investment Properties, Land and Buildings are valued by the District Valuer. This involves a significant degree of judgement and estimation: the results reflect the specialist professional assessment of the conditions within the external property market.

Assumptions regarding depreciation of Property, Plant and Equipment and Intangible Assets

The depreciation of Buildings is based on the value and life of the assets as periodically determined by the District Valuer.
The depreciation of other assets is based on the value and life of the assets in line with the accounting standard, IAS 16 Property, Plant and Equipment. The Standard requires that the useful life of an asset be reviewed regularly and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate under the Accounting Standard, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The following are the judgements, apart from those involving estimations (see above) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Consolidation of the EPUT Charity Accounts with the Trust Accounts

The accounting standards require consolidation of a group of entities under the control of a parent where there exists the power to govern the financial and operational policies of an entity so as to obtain benefits from its activities. The Trust is a corporate trustee of the Essex Partnership NHS Foundation Trust General Charitable Fund, and the purpose of the Charity is to assist Trust NHS patients, hence the Trust has control over and benefits from the Charity's activities, so the requirements of the relevant accounting standards would be applicable in the preparation of the Trust Accounts.
However, In line with IAS 1, Presentation of Financial Statements, specific disclosure requirements set out in individual accounting standards or interpretations need not be satisfied if the information is not material. The net assets of the Charity is approximately 0.5% of the Trust's total assets employed, and are therefore not considered to be material in the context of the Trust's wider accounts. As such, the Board of Directors have noted and approved that the Charity's Accounts will not be consolidated into the main Trust Accounts for 2023/24. This is subject to an annual materiality review each financial year.

1.24 Operating Segments

Under International Financial Reporting Standards, operating segments are components of an entity that engage in separate revenue earning activities, have discrete financial information available, and whose results are reviewed separately by the entity's Chief Operating Decision Maker. Activities or departments of an organisation that earn no or incidental revenues would not be operating segments.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker of the Trust. The Chief Operating Decision Maker of the Trust is the Trust Board.

The Trust's activities constitute a single segment of healthcare activity provided wholly in the UK, subject to similar risks and rewards, and all assets are managed as one central pool. This is consistent with the monthly financial report to the Trust Board.

1.25 Limitation of auditors' liability

In line with guidance from the Financial Reporting Council, the Trust's external auditor, Ernst & Young LLP, have limited their liability in respect of their external audit work. The limitation on auditors' liability for external audit work is £2m.

1.26 Accounting standards, amendments and interpretations in issue but not yet effective or adopted

NHS bodies are required to apply International Financial Reporting Standard (IFRS) 17 Insurance Contracts from 1 April 2025. No assessment of the impact of this accounting standard on the Trust has as yet been completed.

International Financial Reporting Standard (IFRS) 18 Primary Financial Statements is effective from 1 January 2027. As and when this becomes applicable to NHS organisations, the Trust will adopt this accordingly.

1.27 Transfer by absorption

For functions that have been transferred to the Trust from another NHS/local government body, 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/loss corresponding to the net assets/liabilities transferred is recognised within income/expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the combined cost and accumulated depreciation /amortisation from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS/local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss/gain corresponding to the net assets/liabilities transferred is recognised within expenses/income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

In 2023/24, there were no transactions required to be accounted for as a transfer by absorption.

1.28 Prior Period Adjustment

Prior period adjustments may arise from a change in accounting policy or in correcting a material error.

Changes in accounting policies are only made when required by proper accounting practices or when the effect of the changes will provide more reliable or relevant information regarding the impact of transactions, other events and conditions on the Trust's financial position or financial performance.

Where a change is made, it is applied retrospectively (unless stated otherwise), by adjusting opening balances and comparative amounts for the prior period as though the new policy had always been applied.

Material errors identified in prior period amounts are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

New or updated information may give rise to reclassifications between balances in the Statement of Financial Position, thereby leading to the restating of their opening balances under the new classifications.

There was no prior period adjustment during the financial year 2023/24.

Note 2 Income

All income from patient care activities is recognised in line with accounting policy 1.4.

Note 2.1 Income from patient care activities (by nature)

	2023/24 £000	2022/23 £000
Mental health services		
Income from commissioners under API contracts*	234,929	237,926
Services delivered under a mental health collaborative	28,741	27,531
Income for commissioning services in a mental health collaborative	60,823	56,550
Clinical partnerships providing mandatory services (including S75 agreements)	3,516	3,558
Other clinical income from mandatory services	21,171	20,500
Community services		
Income from commissioners under API contracts*	106,809	89,080
Income from other sources (e.g. local authorities)	23,251	20,592
Other services		
Private patient income	-	1
National pay award central funding**	89	11,605
Additional pension contribution central funding***	14,060	12,326
Other clinical income	13,888	7,483
Total income from activities	**507,277**	**487,150**

* Aligned payment and incentive contracts (API) are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation (https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/)

** 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. For the 2023/24 financial year, this relates to the consultants pay award offer for 2023/24.

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

Note 2.2 Income from patient care activities (by source)

Income from patient care activities received from:	2023/24 £000	2022/23 £000
NHS England	110,258	120,901
Clinical Commissioning Groups*	-	74,478
Integrated Care Boards	345,674	244,690
Other NHS Providers	26,445	25,567
Local Authorities	18,696	17,698
Non-NHS: private patients	-	1
Injury cost recovery scheme	4	-
Non NHS: other	6,200	3,816
Total income from activities	**507,277**	**487,150**
Of which:		
Related to continuing operations	507,277	487,150

* Clinical Commissioning Groups were replaced with Integrated Care Boards in July 2022.

Note 3 Other operating income

	2023/24 Contract income £000	2023/24 Non-contract income £000	2023/24 Total £000	2022/23 Contract income £000	2022/23 Non-contract income £000	2022/23 Total £000
Research and Development	671	-	**671**	587	-	**587**
Education and Training	22,745	-	**22,745**	15,768	-	**15,768**
Non-patient care services to other bodies	1	-	**1**	220	-	**220**
Reimbursement and top up funding	-	-	**-**	4,970	-	**4,970**
Income in respect of employee benefits accounted on a gross basis	1,919	-	**1,919**	1,171	-	**1,171**
Charitable and other contributions to expenditure	-	108	**108**	-	335	**335**
Revenue from operating leases	-	2,086	**2,086**	-	2,043	**2,043**
Other income	3,932	-	**3,932**	8,743	-	**8,743**
Total other operating income	**29,268**	**2,194**	**31,462**	**31,458**	**2,379**	**33,837**
Of which:						
Related to continuing operations			31,462			33,837

Note 3.1 Analysis of other contract income

	2023/24 £000	2022/23 £000
Catering	103	111
Pharmacy sales	56	151
Staff accommodation rental	133	105
Non-clinical services recharged to other bodies*	2,862	3,589
Staff contribution to employee benefit schemes	274	325
Other income not already covered (recognised under IFRS15)**	504	4,461
	3,932	**8,743**

* This includes income for IT and estates services provided to other organisations.
** For 2022/23 this includes income received to support international recruitment.

Note 4 Additional information on income

Note 4.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2023/24 £000	2022/23 £000
Revenue recognised in the reporting that was Included within contract liabilities at the previous period end	3,382	4,393

Note 4.2 Income from activities arising from commissioner requested services

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:

	2023/24 £000	2022/23 £000
Income from services designated as commissioner requested services	507,277	487,149
Income from services not designated as commissioner requested services	-	1
Total	**507,277**	**487,150**

Note 5 Operating leases – Trust as a lessor

This note discloses income generated in operating lease agreements where the Trust is the lessor. The Trust has applied IFRS16 to account for lease arrangements from 1 April 2022.

Note 5.1 Operating lease income

	2023/24 £000	2022/23 £000
Lease receipts recognised as income in year:		
Minimum lease receipts	2,086	2,043
Total in-year operating lease income	**2,086**	**2,043**

Note 5.2 Future lease receipts

	31 March 2024 £000	31 March 2023 £000
Future minimum lease receipts due in:		
- not later than one year	2,050	1,940
- later than one year and not later than two years	423	335
- later than two years and not later than three years	221	238
- later than three years and not later than four years	128	144
- later than four years and not later than five years	100	144
- later than five years	483	644
Total	**3,405**	**3,445**

Note 6 Operating expenses*

	2023/24 £000	2022/23 £000
Purchase of healthcare from NHS and DHSC bodies	4,350	3,670
Purchase of healthcare from non-NHS and non-DHSC bodies	16,123	14,697
Mental health collaboratives (lead provider) - purchase of healthcare from NHS bodies	36,196	33,910
Mental health collaboratives (lead provider) - purchase of healthcare from non-NHS bodies	24,818	22,579
Staff and executive directors costs	384,432	354,965
Remuneration of non-executive directors	179	178
Supplies and services - clinical (excluding drugs costs)	5,530	6,790
Supplies and services - general	7,266	5,927
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	5,372	5,648
Consultancy costs	1,354	3,133
Establishment	2,698	6,797
Premises	20,622	20,924
Transport (including patient travel)	4,873	5,098
Depreciation on property, plant and equipment	12,420	10,947
Amortisation on intangible assets	2,367	1,863
Net impairments	4,622	96
Movement in credit loss allowance: contract receivables / contract assets	(49)	(280)

Increase/(decrease) in other provisions**	(1,305)	303
Change in provisions discount rate(s)	(1,201)	(1,070)
Fees payable to the external auditor		
audit services - statutory audit	216	174
Internal audit costs	167	73
Clinical negligence	2,848	2,564
Legal fees	5,835	2,797
Insurance	598	520
Research and development	613	527
Education and training	6,136	4,451
Expenditure on short term leases	359	1,008
Expenditure on low value leases	1,321	1,321
Redundancy	196	(692)
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI)	2,111	2,669
Car parking & security	1,758	1,617
Hospitality	56	22
Losses, ex gratia & special payments	91	71
Other services, e.g. external payroll	4,233	4,914
Other	(9)	46
Total	**557,196**	**518,259**

* 2022/23 includes part year cost of delivering mass vaccination services totalling £5m.

Note 7 Employee Benefits

	2023/24 Total £000	2022/23 Total £000
Salaries and wages	282,680	258,366
Social security costs	30,465	25,810
Apprenticeship levy	1,417	1,192
Employer's contributions to NHS pensions	46,384	40,435
Pension cost - other	-	75
Termination benefits	169	-
Temporary staff (agency)	28,132	32,810
Total gross staff costs	**389,247**	**358,688**
Costs capitalised as part of assets	(1,490)	(983)
Total staff costs	**387,757**	**357,705**

Note 7.1 Retirements due to ill-health

During 2023/24 there were 5 early retirements from the Trust agreed on the grounds of ill-health (3 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £310k (£51k in 2022/23).

Note 7.2 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of

the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Note 7.3 Director Remunerations and Staff Costs

The analysis of directors' remunerations and pension benefits for the year ended 31 March 2024 are in the Remuneration Report section of the Annual Report.

The analysis of staff costs, average staff numbers and staff exit packages for the year ended 31 March 2024 are in the staff report section of the Annual Report.

Note 7.4 Employee retirement benefit obligation

Note 7.4.1 Amounts recognised in the SoCI

	2023/24 £000	2022/23 £000
Current service cost	(107)	(190)
Interest expense / income	27	15
Administration expenses	(18)	(11)
Total net (charge) / gain recognised in SOCI	**(98)**	**(186)**

Note 7.4.2 Principal actuarial assumptions

	2023/24 %	2022/23 %
Discount rate	4.90	4.80
Pension increases (CPI)	2.90	2.90
RPI inflation	3.25	3.30
Rate of increase in salaries	3.90	3.90

Note 7.4.3 Amounts recognised in the SoFP

	31 March 2024 £000	31 March 2023 £000
Present value of the defined benefit obligation	(13,017)	(13,114)
Plan assets at fair value	23,674	21,672
Impact of asset ceiling	(10,544)	(7,972)
Net defined benefit (obligation) / asset recognised in the SoFP	**113**	**586**

Note 7.4.4 Reconciliation of asset ceiling

	31 March 2024 £000	31 March 2023 £000
Opening impact of asset ceiling	(7,972)	(2,121)
Interest on asset ceiling	(383)	(55)
Actuarial losses / (gains)	(2,189)	(5,796)
Closing impact of asset ceiling	**(10,544)**	**(7,972)**

Note 7.4.5 Change in benefit obligation

	2023/24 £000	2022/23 £000
Present value of the defined benefit obligation at 1 April	(13,114)	(19,679)
Adjustment to Plan liabilities at fair value at 1 April	11	
Current service cost	(107)	(191)
Interest cost	(617)	(504)
Contribution by plan participants	(34)	(33)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	289	6,668
Benefits paid	555	625
Present value of the defined benefit obligation at 31 March	**(13,017)**	**(13,114)**

Note 7.4.6 Change in fair value of plan assets

	2023/24 £000	2022/23 £000
Plan assets at fair value at 1 April	**21,672**	**20,238**
Adjustment to Plan assets at fair value at 1 April	(11)	2,111
Administrative expenses	(18)	
Interest income	1,027	574
Remeasurement of the net defined benefit (liability) / asset:		
- Return on plan assets	1,525	(294)
- Actuarial gain / (losses)	-	(440)
Contributions by the employer	-	75
Contributions by the plan participants	34	33
Benefits paid	(555)	(625)
Plan assets at fair value at 31 March	**23,674**	**21,672**

Note 7.4.7 Analysis of fair value of plan assets

	2023/24 £000	2023/24 %	2022/23 £000	2022/23 %
Equities	12,995	55%	12,373	57%
Gifts	420	2%	298	1%
Other bonds	-	-	960	5%
Property	1,679	7%	1,733	8%
Cash / Temporary investments	634	3%	714	3%
Alternative investments	3,585	15%	3,349	16%
Other managed funds	4,361	18%	2,234	10%
Plan assets at fair value at 31 March	**23,674**	**100%**	**21,661**	**100%**

Note 7.4.8 Remeasurement in other comprehensive income

	2023/24 £000	2022/23 £000
Returns on funds in excess of interest	1,525	(294)
Other actuarial gains / (losses) on assets	-	(440)
Change in financial assumption	192	6,816
Change in demographic assumptions	168	373
Experience gain / (loss) on defined benefit obligation	(71)	(521)
Change in impact of asset ceiling	(2,189)	(5,796)
Remeasurement of the net asset / (defined liability)	**(375)**	**138**

Note 7.4.9 Project pension costs

	2023/24 £000
Service costs	103
Net interest on defined asset	(5)
Administration expenses	17
Total	**115**
Employer contributions	-
Total	**115**

Note 7.4.10 Sensitivity analysis

Adjustment to discount rate	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value total obligation	12,130	12,832	13,017	13,207	14,010
Projected service cost	92	101	103	106	116
Adjustment to long term salary increase	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value total obligation	13,067	13,027	13,017	13,007	12,969
Projected service cost	104	104	103	103	103
Adjustment to pension increases and deferred revaluation	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value total obligation	13,976	13,200	13,017	12,838	12,158
Projected service cost	116	105	103	101	91

Adjustment to life expectancy assumptions	**+ 1 year**	**None**	**- 1 year**
Present value total obligation	13,459	13,017	12,590
Projected service cost	107	103	100

Note 8.1 Finance income

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

	2023/24 £000	2022/23 £000
Interest on bank accounts	3,269	1,573
Other finance income	1,027	574
Total finance income	**4,296**	**2,147**

Note 8.2 Finance expenditure

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

	2023/24 £000	2022/23 £000
Interest expense:		
Interest on loans from the Department of Health and Social Care	57	65
Interest on lease obligations	450	411
Interest on late payment of commercial debt	-	1
Finance costs on PFI arrangements:		
Main finance costs	2,598	1,512
Contingent finance costs*	-	287
Remeasurement of the liability resulting from change in index or rate*	5,059	-
Total interest expense	**8,164**	**2,275**
Unwinding of discount on provisions	1,404	154
Other finance costs	1,056	573
Total finance costs	**10,624**	**3,002**

* From 1 April 2023, IFRS16 liability measurement principles are applied to PFI liabilities. Increases to imputed lease payments arising from inflationary uplifts are now included in the liability, and contingent rent no longer arises. More information is provided in note 1.8.

Note 8.3 The late payment of commercial debts (interest) Act 1998

There was a total interest payment (including administration charges) of £350 relating to the late payment of commercial debts in the year ended 31 March 2024 (2022/23: £317).

Note 9 Other gains / (losses)

	2023/24 £000	2022/23 £000
Gains on disposal of assets *	-	2,655
Losses on disposal of assets	(11)	(7)
Total gains / (losses) on disposal of assets	**(11)**	**2,648**
Fair value gains / (losses) on investment properties	(535)	695
Total other gains / (losses)	**(546)**	**3,343**

* The Trust released a deed of covenant in respect of the former Runwell Hospital (a former Secretary of State owned site) resulting in a gain of £2,655k in 2022/23.

Note 10 Intangible assets – 2023/24

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation/gross cost at 1 April 2023- brought forward	**21,648**	**579**	**360**	**22,587**
Additions	1,033	-	3,729	**4,762**
Disposals / derecognition	-	-	-	**-**
Valuation / gross cost at 31 March 2024	**22,681**	**579**	**4,089**	**27,349**
Amortisation at 1 April 2023 - brought forward	**13,226**	**-**	**-**	**13,226**
Provided during the year	2,251	116	-	**2,367**
Amortisation at 31 March 2024	**15,477**	**116**	**-**	**15,593**
Net book value at 31 March 2024	**7,204**	**463**	**4,089**	**11,756**
Net book value at 1 April 2023	**8,422**	**579**	**360**	**9,361**

Note 10.1 Intangible assets – 2022/23

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2022 - as previously stated	**18,967**	**-**	**452**	**19,419**
Additions	2,589	579	-	**3,168**
Reclassifications	92	-	(92)	**-**
Valuation / gross cost at 31 March 2023	**21,648**	**579**	**360**	**22,587**
Amortisation at 1 April 2022 - as previously stated	**11,363**	**-**	**-**	**11,363**
Provided during the year	1,863	-	-	**1,863**
Amortisation at 31 March 2023	**13,226**	**-**	**-**	**13,226**
Net book value at 31 March 2023	**8,422**	**579**	**360**	**9,361**
Net book value at 1 April 2022	**7,604**	**-**	**452**	**8,056**

Note 11 Property, Plant and Equipment

Note 11.1 Property, plant and equipment – 2023/24

	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 2023 - brought forward	**50,290**	**167,284**	**759**	**2,192**	**6,171**	**296**	**8,070**	**864**	**235,926**
Additions	-	5,122	-	3,444	163	-	2,637	70	**11,436**
Impairments	(1,625)	(9,864)	-	-	-	-	-	-	**(11,489)**
Reversals of impairments	-	639	-	-	-	-	-	-	**639**
Revaluations	238	1,556	(20)	-	-	-	-	-	**1,774**
Reclassifications	-	1,526	-	(1,526)	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(85)	-	-	-	**(85)**
Valuation / gross cost at 31 March 2024	**48,903**	**166,263**	**739**	**4,110**	**6,249**	**296**	**10,707**	**934**	**238,201**
Accumulated depreciation at 1 April 2023 - brought forward	**-**	**5,208**	**45**	**-**	**4,179**	**270**	**4,686**	**324**	**14,712**
Provided during the year	-	5,676	45	-	413	5	1,176	123	**7,438**
Revaluations	-	(10,884)	(90)	-	-	-	-	-	**(10,974)**
Disposals / derecognition	-	-	-	-	(73)	-	-	-	**(73)**
Accumulated depreciation at 31 March 2024	**-**	**-**	**-**	**-**	**4,519**	**275**	**5,862**	**447**	**11,103**
Net book value at 31 March 2024	**48,903**	**166,263**	**739**	**4,110**	**1,730**	**21**	**4,845**	**487**	**227,098**
Net book value at 1 April 2023	**50,290**	**162,076**	**714**	**2,192**	**1,992**	**26**	**3,384**	**540**	**221,214**

Note 11.2 Property, plant and equipment – 2022/23

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**50,290**	**148,004**	**1,336**	**11,117**	**5,767**	**296**	**7,889**	**251**	**224,951**
Additions	-	8,336	-	1,970	404	-	181	212	**11,103**
Impairments	-	(121)	-	-	-	-	-	-	**(121)**
Reclassifications	-	11,065	(577)	(10,888)	-	-	-	401	**0**
Disposals / derecognition	-	-	-	(7)	-	-	-	-	**(7)**
Valuation / gross cost at 31 March 2023	**50,290**	**167,284**	**759**	**2,192**	**6,171**	**296**	**8,070**	**864**	**235,926**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**	**3,777**	**265**	**3,558**	**251**	**7,851**
Provided during the year	-	5,195	58	-	402	5	1,128	73	**6,861**
Reclassifications	-	13	(13)	-	-	-	-	-	**-**
Accumulated depreciation at 31 March 2023	**-**	**5,208**	**45**	**-**	**4,179**	**270**	**4,686**	**324**	**14,712**
Net book value at 31 March 2023	**50,290**	**162,076**	**714**	**2,192**	**1,992**	**26**	**3,384**	**540**	**221,214**
Net book value at 1 April 2022	**50,290**	**148,004**	**1,336**	**11,117**	**1,990**	**31**	**4,331**	**-**	**217,100**

Note 11.3 Property, plant and equipment financing – 31 March 2024

	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	48,903	131,209	740	4,110	1,730	21	4,845	487	**192,044**
On-SoFP PFI contracts and other service concession arrangements	-	34,933	-	-	-	-	-	-	**34,933**
Owned - donated / granted	-	121	-	-	-	-	-	-	**121**
Total net book value at 31 March 2024	**48,903**	**166,263**	**740**	**4,110**	**1,730**	**21**	**4,845**	**487**	**227,098**

Note 11.4 Property, plant and equipment financing – 31 March 2023

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	50,290	129,110	715	2,192	1,992	26	3,384	540	**188,248**
On-SoFP PFI contracts and other service concession arrangements	-	32,853	-	-	-	-	-	-	**32,853**
Owned - donated / granted	-	113	-	-	-	-	-	-	**113**
Total net book value at 31 March 2023	**50,290**	**162,076**	**715**	**2,192**	**1,992**	**26**	**3,384**	**540**	**221,214**

Note 11.5 Revaluation of property plant and equipment (Impairment)

The Trust instructed the District Valuer to conduct a revaluation of its land and buildings in 2023/24. This is in line with the Trust's policy and International Accounting Standards (IAS 16) recommendations in order to ensure that the carrying amounts of assets do not differ materially from their fair value at the Statement of Financial Position date.

The Trust's land and buildings have been revalued based on the District Valuer's valuation report as at 31 March 2024. This resulted in a net revaluation gain of £1,898k as shown in the table below, and includes gross revaluation gains of £13,387k offset by gross revaluation losses of £11,489k. Of the gross revaluation gains, £12,748k has been recognised in the Revaluation Reserve in the Statement of Financial Position and £639k recognised in operating expenses in the Statement of Comprehensive Income as a reversal of previously recognised impairments. Similarly of the gross revaluation losses, £6,258k has been recognised in the Statement of Financial Position against Revaluation Reserves and the remaining £5,231k recognised as an impairment in operating expenses in the Statement of Comprehensive Income.

The net impact to the Statement of Comprehensive Income is £4,592k in respect of plant, property

and income. This increases to £4,622k shown in operating expenses (note 6) when the impairment on asset held for sale (note 16) of £30k is added.

	Total	Revaluation Reserve Surplus	Revaluation Reserve Impairment	Net Operating Expenses Impairment / Reversal*
	£'000	**£'000**	**£'000**	**£'000**
2023/24	**1,898**	12,748	(6,258)	(4,592)
2022/23	**(121)**	-	-	(121)

* excluding revaluation loss on assets held for sale (note 16)

Note 11.6 Remaining economic lives of property, plant and equipment

Main Asset Category	Sub Category	Minimum Useful Life (in years)	Maximum Useful Life (in years)
Buildings - owned	Structure	3	78
	Engineering and installations	5	35
	External works	5	78
Buildings - PFI schemes	Structure	59	62
	Engineering and installations	17	29
	External works	37	43
Plant, machinery and equipment	Medical and surgical equipment	5	15
	Office equipment	5	5
	IT Hardware	5	10
	Other engineering works	5	30
Furniture and fitting	Furniture	3	10
Motor vehicles		5	5

Note 11.7 Assets under PFI contract

	2023/24 £000
Cost or Valuation	
Cost / Valuation at 1 April 2023	33,654
Revaluation	1,280
Cost / Valuation at 31 March 2024	**34,934**
Accumulated depreciation	
Cost / Valuation at 1 April 2023	801
Provided during the year	801
Revaluation	(1,602)
Accumulated depreciation at 31 March 2024	**-**
Net book value at 1 April 2023	32,853
Net book value at 31 March 2024	**34,934**

Elderly Mentally Ill (EMI) Homes – PFI

In 2004, two homes were opened for the provision of care for the EMI which have since been re-designated under CQC registration as Nursing Homes. The construction has been financed by a private finance initiative, between the Trust, legacy South Essex Partnership Trust (the grantor) and Ryhurst (the operator), under a public private service concession arrangement.

The term of the arrangement is 30 years, over which the grantor will repay the financing received from the operator, ending in 2033. At the end of the financing period legal ownership will pass from Ryhurst to the Trust.

During the period of the arrangement the grantor will have full and sole use of the properties to provide the health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract. No material capital expenditure is included in the contract arrangement.

Maintenance costs payable to the operator are subject to annual increases based on the Retail Price Index (RPI).

There are no changes in the arrangement over the contract period.

Forensic Unit - PFI

In November 2009 a new forensic unit was opened to provide low and medium secure services. The construction of the new facility has been financed by a private finance initiative between the Trust, legacy South Essex Partnership Trust (the grantor) and Grosvenor House (the operator), under a public private service concession arrangement.

The term of the arrangement, over which the grantor will repay financing received to the operator, is 29 years ending in 2037. At the end of the financing period legal ownership will pass from Grosvenor House to Essex Partnership University NHS Foundation Trust.

During the period of the arrangement the grantor will have full and sole use of the unit to provide health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract.

Maintenance costs payable to the operator are subject to annual increases based on the Retail Price Index (RPI).

There are no changes in the arrangement over the contract period.

Note 12 Leases – the Trust as a lessee

This note details information about leases for which the Trust is a lessee. The Trust applied IFRS 16 to account for lease arrangements from 1 April 2022.

Note 12.1 Right of use assets – 2023/24

	Property (land and buildings) £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2023 - brought forward	**45,234**	**138**	**45,372**	**40,815**
Additions	-	140	**140**	-
Remeasurements of the lease liability	7,503	-	**7,503**	7,391
Movements in provisions for restoration / removal costs	38	-	**38**	38
Valuation / gross cost at 31 March 2024	**52,775**	**278**	**53,053**	**48,244**
Accumulated depreciation at 1 April 2023 - brought forward	**4,041**	**45**	**4,086**	**3,549**
Provided during the year	4,914	68	**4,982**	4,362
Accumulated depreciation at 31 March 2024	**8,955**	**113**	**9,068**	**7,911**
Net book value at 31 March 2024	**43,820**	**165**	**43,985**	**40,333**
Net book value at 1 April 2023	**41,193**	**93**	**41,286**	**37,266**
Net book value of right of use assets leased from other NHS Providers				8,966
Net book value of right of use assets leased from other DHSC group bodies				31,367

Note 12.2 Right of use assets – 2022/2

	Property (land and buildings) £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**
IFRS 16 implementation - adjustments for existing operating leases / subleases	44,870	57	**44,927**	40,451
Additions	-	81	**81**	-
Movements in provisions for restoration / removal costs	364	-	**364**	364
Valuation / gross cost at 31 March 2023	**45,234**	**138**	**45,372**	**40,815**
Accumulated depreciation at 1 April 2022 - brought forward	-	-	**-**	-
Provided during the year	4,041	45	**4,086**	3,549
Accumulated depreciation at 31 March 2023	**4,041**	**45**	**4,086**	**3,549**
Net book value at 31 March 2023	**41,193**	**93**	**41,286**	**37,266**
Net book value at 1 April 2022	**-**	**-**	**-**	**-**
Net book value of right of use assets leased from other NHS Providers				9,368
Net book value of right of use assets leased from other DHSC group bodies				27,898

Note 12.3 Reconciliation of the carrying value of the lease liabilities

Lease liabilities are included within borrowings in the Statement of Financial Position. A breakdown of borrowings is disclosed in note 21.1.

	2023/24 £000	2022/23 £000
Carrying value at 31 March	**41,141**	**-**
IFRS 16 implementation - adjustments for existing operating leases		44,927
Lease additions	140	81
Lease liability remeasurements	7,503	-
Interest charge arising in year	450	411
Lease payments (cash outflows)	(4,156)	(4,278)
Other changes	-	-
Carrying value at 31 March	**45,078**	**41,141**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependant on an index or rate are recognised in operating expenditure. These payments are disclosed in note 6. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 12.4 Maturity analysis of future lease payments

	Total 31 March 2024 £000	Of which leased from DHSC group bodies: 31 March 2024 £000	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000
Undiscounted future lease payments payable:				
- not later than one year;	5,912	5,317	3,893	3,377
- later than one year and not later than five years;	20,083	18,069	16,744	14,701
- later than five years.	19,083	18,002	20,504	19,043
Total gross future lease payments	**45,078**	**41,388**	**41,141**	**37,121**
Finance charges allocated to future periods	-	-	-	-
Net lease liabilities at 31 March 2024	**45,078**	**41,388**	**41,141**	**37,121**
Of which:				
Leased from other NHS providers		9,367		9,412
Leased from other DHSC group bodies		32,021		27,709

Note 13 Investment property

	2023/24 £000	2022/23 £000
Carrying value at 1 April - brought forward	**18,620**	**17,925**
Movement in fair value	(535)	695
Carrying value at 31 March	**18,085**	**18,620**

Note 14 Inventories

	31 March 2024 £000	31 March 2023 £000
Drugs	168	153
Other	321	296
Total inventories	**489**	**449**

Note 15 Trade and other receivables

	31 March 2024 £000	31 March 2023 £000
Current		
Contract receivables	15,349	28,133
Allowance for impaired contract receivables / assets	(24)	(456)
Prepayments (non-PFI)	2,606	2,409
Interest receivable	216	102
PDC dividend receivable	657	61
VAT receivable	1,278	2,210
Other receivables	108	26
Total current receivables	**20,190**	**32,485**
Non-current		
Other receivables	166	191
Total non-current receivables	**166**	**191**
Of which receivable from NHS and DHSC group bodies:		
Current	10,544	23,579
Non-current	166	191

Note 15.2 Allowances for credit losses

	2023/24 Contract receivables and contract assets £000	2022/23 Contract receivables and contract assets £000
Allowances as at 1 April - brought forward	**456**	**832**
New allowances arising	12	29
Reversals of allowances	(61)	(309)
Utilisation of allowances (write offs)	(383)	(96)
Allowances as at 31 March 2024	**24**	**456**

Note 16 Non-current assets held for sale and assets in disposal groups

	2023/24 £000	2022/23 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**575**	**550**
Impairment of assets held for sale	(30)	-
Reversal of impairment of assets held for sale	-	25
NBV of non-current assets for sale and assets in disposal groups at 31 March	**545**	**575**

As at 31 March 2024, the Trust held one property for sale: 4 The Glades, Bedfordshire

Note 17 Cash and cash equivalents movements

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

	2023/24 £000	2022/23 £000
At 1 April	**65,941**	**77,417**
Net change in year	(22,563)	(11,476)
At 31 March	**43,378**	**65,941**
Broken down into:		
Cash at commercial banks and in hand	607	674
Cash with the Government Banking Service	42,771	50,266
Deposits with the National Loan Fund	-	15,000
Total cash and cash equivalents as in SoFP	**43,378**	**65,941**

Note 18 Third party assets held by the Trust

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

	31 March 2024 £000	31 March 2023 £000
Bank balances	337	324
Total third party assets	**337**	**324**

Note 19 Trade and other payables

	31 March 2024 £000	31 March 2023 £000
Current		
Trade payables	13,740	7,990
Capital payables	3,180	3,106
Accruals	21,360	40,486
Social security costs	4,153	3,803
Other taxes payable	3,637	2,888
Pension contributions payable	4,599	3,994
Total current trade and other payables	**50,669**	**62,267**
Non-current		
Accruals	282	554
Total non-current trade and other payables	**282**	**554**
Of which payables from NHS and DHSC group bodies:		
Current	9,994	6,865
Non-current	-	-

Note 20 Other liabilities

	31 March 2024 £000	31 March 2023 £000
Current		
Deferred income: contract liabilities	1,610	3,382
Total other current liabilities	**1,610**	**3,382**

Note 21 Borrowings

Note 21.1 Borrowings

	31 March 2024 £000	31 March 2023 £000
Current		
Loans from DHSC	415	417
Lease liabilities	5,912	3,893
Obligations under PFI contracts	2,731	968
Total current borrowings	**9,058**	**5,278**
Non-current		
Loans from DHSC	2,004	2,404
Lease liabilities	39,166	37,248
Obligations under PFI contracts	37,129	22,236
Total non-current borrowings	**78,299**	**61,887**

The Trust is responsible for ensuring that it is able to repay its borrowings and any associated interest charges. As at the financial year ending 2023/24 the Trust holds one single currency term loan from the Secretary of State as follows:

Amount Outstanding (Current) £000	Amount Outstanding (Non-Current) £000	Interest Rate	Repayment Date
415	2,004	2.17%	March 2030

Note 21.2 Reconciliation of liabilities arising from financing activities

	Loans from DHSC £000	Lease Liabilities £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2023	**2,821**	**41,141**	**23,204**	**67,166**
Cash movements:				
Financing cash flows - payments and receipts of principal	(400)	(3,706)	(1,754)	**(5,860)**
Financing cash flows - payments of interest	(59)	(450)	(2,598)	**(3,107)**
Non-cash movements:				
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	13,351	**13,351**
Additions	-	140	-	**140**
Lease liability remeasurements	-	7,503	-	**7,503**
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	5,059	**5,059**
Application of effective interest rate	57	450	2,598	**3,105**
Carrying value at 31 March 2024	**2,419**	**45,078**	**39,860**	**87,357**

	Loans from DHSC £000	Lease Liabilities £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2022	**3,222**	**-**	**24,396**	**27,619**
Financing cash flows - payments and receipts of principal	(400)	(3,867)	(1,192)	**(5,459)**
Financing cash flows - payments of interest	(67)	(411)	(1,512)	**(1,990)**
Non-cash movements:				
Impact of implementing IFRS 16 on 1 April 2022	-	44,927	-	**44,927**
Additions	-	81	-	**81**
Application of effective interest rate	65	411	1,512	**1,989**
Carrying value at 31 March 2023	**2,821**	**41,141**	**23,204**	**67,166**

Note 22 On-SoFP PFI

Note 22.1 On-SoFP PFI obligations

The following obligations in respect of PFI are recognised in the Statement of Financial Position.

	31 March 2024 £000	31 March 2023 £000
Gross PFI liabilities	**57,774**	**35,024**
Of which liabilities are due		
- not later than one year;	5,157	2,406
- later than one year and not later than five years;	18,277	10,753
- later than five years.	34,340	21,864
Finance charges allocated to future periods	(17,914)	(11,820)
Net PFI obligation	**39,860**	**23,204**
- not later than one year;	2,731	968
- later than one year and not later than five years;	10,192	5,790
- later than five years.	26,937	16,446

Note 22.2 Total on-SoFP PFI commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2024 £000	31 March 2023 £000
Total future payments committed in respect of PFI	**80,606**	**114,441**
Of which payments are due:		
- not later than one year;	6,464	6,464
- later than one year and not later than five years;	25,856	28,765
- later than five years.	48,286	79,212

Note 22.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2023/24 £000	2022/23 £000
Unitary payment payable to service concession operator	**6,463**	**5,660**
Consisting of:		
- Interest charge	2,598	1,512
- Repayment of balance sheet obligation	1,754	1,192
- Service element and other charges to operating expenditure	1,680	1,979
- Revenue lifecycle maintenance	431	690
- Contingent rent	-	287
Total amount paid to service concession operator	**6,463**	**5,660**

Note 23 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other * £000	Total £000
At 1 April 2023	**4,457**	**1,789**	**97**	**0**	**17,653**	**23,996**
Change in the discount rate	(500)	(386)	-	-	(315)	**(1,201)**
Arising during the year	616	201	68	27	11,679	**12,591**
Utilised during the year	(497)	(155)	(14)	-	(7,134)	**(7,800)**
Reversed unused	(898)	(32)	-	-	(1,218)	**(2,148)**
Unwinding of discount	467	302	-	-	635	**1,404**
At 31 March 2024	**3,645**	**1,719**	**151**	**27**	**21,300**	**26,842**
Expected timing of cash flows:						
- not later than one year	467	152	151	27	10,779	**11,576**
- later than one year and not later than five years	1,730	574	-	-	10,521	**12,825**
- later than five years	1,448	993	-	-	-	**2,440**
Total	**3,645**	**1,719**	**151**	**27**	**21,300**	**26,841**

* Other provisions includes provisions associated with the Lampard Inquiry which represents £18.7m of that closing provision value. The settlement of liabilities associated with the Inquiry are being met from existing patient care contracts with Commissioners. Also included within other provisions is dilapidation costs of leased buildings.

The total value of clinical negligence provisions carried by NHS Resolution on the Trust's behalf as at 31 March 2024 was £17,379k (2022/23: £19,458k). The reduction was largely attributable to changes in discount rate applicable to the provision.

Note 24 Capital Commitments

The value of the capital commitments under expenditure contracts at 31 March 2024 was £857k (2022/23: £1,553k).

Note 25 Events after the Reporting Period

On the 10 April 2024, the terms of reference for the Lampard Inquiry were released by the Inquiry Chair. The Trust revisited and updated the cost assessments for the provision.
The Trust's Annual Accounts were authorised for issue by the Chief Executive / Accounting Officer on 27 June 2024.

Note 26 Contingencies

As at 31 March 2024, the Trust had contingent liabilities in respect of the Liabilities to Third Parties Scheme and Property Expenses Scheme totaling £93k (2022/23: £45k).

Note 27 Related Party Transactions

The Trust is a body corporate established by the Secretary of State. NHS England and other Foundation Trusts are considered related parties. The Department of Health and Social Care is regarded as a related party as it exerts influence over a number of transactions and operating policies of the Trust. During the year ended 31 March 2024 the Trust had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department of those entities.

During the year and at the period end, the Trust had material transactions with other NHS bodies, namely NHS Mid & South Essex ICB, NHS Suffolk & North East Essex ICB, NHS Hertfordshire & West Essex ICB, Hertfordshire Partnership University NHS Foundation Trust, Norfolk & Suffolk NHS Foundation Trust, Health Education England, NHS England and The Princess Alexandra Hospital NHS Trust.

During the year and at the period end, the Trust had material transactions with other public sector bodies namely Essex County Council, Her Majesty's Revenue and Customs and NHS Pensions.

Other than those disclosed under note 27.1 and 27.2, during the year none of the Board Members, Governors or members of the key management staff or parties related to them and Department of Health and Social Care (DHSC) related parties (i.e. DHSC Ministers, senior officials and entities controlled or influenced by them) has undertaken any material transactions with the Trust.

The Governors appointed to the Council of Governors may also be members of Boards and Committees of local stakeholder organisations. Local stakeholder organisations can nominate an individual as a Governor on the Council under the following arrangements.

Three Local Authority Governors, one each appointed by:
- Essex County Council;
- Southend on Sea Borough Council;
- Thurrock Council.

Two Partnership Governors appointed by partnership organisations, one each appointed by:
- Essex University and Anglia Ruskin University (joint appointment);
- Third Party / Voluntary Sector

The Trust is the Corporate Trustee of the Essex Partnership NHS Foundation Trust General Charitable Fund. During the year ended 31 March 2024, the Trust received income of £29,683 from the Charity for administrative services provided by the Trust on behalf of the Charity. The Trust did not receive any capital payments. All the members of the Corporate Trustee are also members of the Trust Board.

Note 27.1 Director's Interests

Professor Sheila Salmon (Chair) is the Emeritus Professor of Health Development at Anglia Ruskin University. The Trust's total expenditure in the 2023/24 financial year was £205,747 in respect of course fees. Total income received from Anglia Ruskin University in 2023/24 totaled £17,694 in respect of a student placement fee. This expenditure and income was not initiated by Professor Sheila Salmon. Ruth Jackson (Non-Executive Director) provides consultancy, education and workforce services to the University of Essex. During the 2023/24 financial year, the Trust incurred expenditure of £698,431 relating to pass through arrangements for additional healthcare science, apprenticeship validation and course fees. Income for the year totaled £16,234 in respect of staff secondment and apprenticeship training course. This expenditure and income was not initiated by Ruth Jackson.

Professor Natalie Hammond (former Executive Nurse) is Chair of the Mental Health Nurse Directors Forum. The Trust's total expenditure made to Mental Health Nurse Directors Forum in the financial year 2023/24 up to the point of Professor Natalie Hammond leaving the Trust was £1,686 for Trust staff attendance at forum events (2022/23: £1,285). The Trust's total income received from Alliance Events in the financial year was nil. This expenditure was not initiated by Professor Natalie Hammond.

Dr. Milind Karale is an investigator / clinical adviser at Niche Patient Safety. The Trust's total expenditure made to Niche Patient Safety in the financial year 2023/24 was nil (2022/23: £37,891) for independent investigation into care and treatment. This expenditure was not initiated by Dr Karale. The Trust's total income received from Niche Patient Safety in 2023/24 financial year was nil (2022/23: £nil).

Note 27.2 DHSC related parties

During the year 2023/24, the Trust incurred expenditure of £268 with The Royal Horticulture Society who is identified by the DHSC as a related party to Government Ministers and senior officials.

Note 28 Financial Instruments

IFRS 7, Financial Instruments: Disclosures, requires disclosure of information that enables users of the accounts to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period. Due to the continuing service provider relationship that the Trust has with the local Integrated Care Board and the way those Integrated Care Boards are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of the limited companies to which IFRS 7 mainly applies. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Credit risk

Over 90% of the Trust's income is from contracted arrangements with commissioners. As such any material credit risk is limited to administrative and contractual disputes.

Where a dispute arises, provision will be made on the basis of the age of the debt and the likelihood of a resolution being achieved.

Liquidity risk

The Trust's net operating costs are incurred under annual service agreements with local Integrated Care Boards, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from cash made available from prior year surpluses; and Public Dividend Capital funding that may be available from the Department of Health and Social Care to fund particular projects. The Trust has also funded two of its buildings through Private Finance Initiative scheme. The Trust is not, therefore, exposed to significant liquidity risks.

Interest-rate risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest, it is not, therefore, exposed to significant interest rate risk.

Foreign currency risk

The Trust has nil foreign currency income and expenditure.

Note 28.1 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	15,815	**15,815**
Cash and cash equivalents	43,378	**43,378**
Total at 31 March 2024	**59,193**	**59,193**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000	Total book value £000
Trade and other receivables excluding non financial assets	27,996	**27,996**
Cash and cash equivalents	65,941	**65,941**
Total at 31 March 2023	**93,937**	**93,937**

Note 28.2 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	2,419	**2,419**
Obligations under leases	45,078	**45,078**
Obligations under PFI, LIFT and other service concession contracts	39,860	**39,860**
Other borrowings	-	**-**
Trade and other payables excluding non financial liabilities	35,477	**35,477**
Other financial liabilities	-	**-**
Provisions under contract	21,478	**21,478**
Total at 31 March 2024	**144,312**	**144,312**

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	2,821	**2,821**
Obligations under leases	41,141	**41,141**
Obligations under PFI, LIFT and other service concession contracts	23,204	**23,204**
Trade and other payables excluding non financial liabilities	47,713	**47,713**
Provisions under contract	17,750	**17,750**
Total at 31 March 2023	**132,628**	**132,628**

Note 28.3 Maturity of financial liabilities

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

	31 March 2024 £000	31 March 2023 £000
In one year or less	57,636	66,960
In more than one year but not more than five years	50,761	34,315
In more than five years	53,829	43,174
Total	**162,227**	**144,448**

Note 29 Losses and special payments

	2023/24 Total number of cases Number	2023/24 Total value of cases £000	2022/23 Total number of cases Number	2022/23 Total value of cases £000
Losses				
Cash losses	5	1	27	7
Bad debts and claims abandoned	-	-	1	0
Stores losses and damage to property	2	1	1	1
Total losses	**7**	**2**	**29**	**8**
Special payments				
Compensation under court order or legally binding arbitration award	1	1	-	-
Ex-gratia payments	13	80	20	1,162
Special severance payments	1	9	2	31
Extra-statutory and extra-regulatory payments	-	-	5	37
Total special payments	**15**	**90**	**27**	**1,230**
Total losses and special payments	**22**	**92**	**56**	**1,238**
Of which, special payments of £95,000 or more:				
Ex-gratia payments*	-	-	1	1,109
Total special payments	**-**	-	1	**1,109**

* Within ex-gratia payments of £95,000 or more for 2022/23, the Trust has accounted for non-contractual awards to staff i.e. thank you vouchers and cost of living support. Such awards to a group of staff is considered one case in line with national guidance.

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