Leeds and York Partnership
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS

1 April 2023
to
31 March 2024

Leeds and York Partnership NHS Foundation Trust

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1 April 2023 to 31 March 2024

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

CONTENTS

PART A – ANNUAL REPORT

PART B – THE ANNUAL ACCOUNTS AND AUDITORS' REPORT

PART A
ANNUAL REPORT
2023/24

SECTION 1.1 – THE PERFORMANCE REPORT (Overview)

The purpose of the Overview Section is to provide a short summary setting out our purpose, key risks to the achievement of our objectives and how we have performed during the year.

1.1.1 A MESSAGE FROM OUR CHAIR

As ever, this year has been a mix of change, challenges and delights. I am proud of both our Board of Directors and Council of Governors for their ability to get to grips with some very difficult issues and their commitment to making sure everything we do is focussed around a person-centred, high-quality approach.

This has been particularly impressive for the Board as we have had some significant changes this year. We said goodbye to Helen Grantham who, as a Non-executive Director, did so much to drive our approach to workforce development and our People Plan; to Cathy Woffendin, our Director of Nursing, Quality and Professions, who implemented many quality improvements; and to Cath Hill, our Associate Director for Corporate Governance and Trust Board Secretary, who ensured the Board ran efficiently. I am very grateful to all three for their achievements. Happily, we then welcomed new colleagues; Katy Wilburn and Zoe Burns-Shore joined us as Non-executive Directors, bringing experience across issues including housing, customer care and workforce. Our own Deputy Director of Nursing, Nichola Sanderson, was successfully appointed to the Director of Nursing and Professions role and is already making a great impact, and Clare Edwards joined us as our new Associate Director for Corporate Governance and Trust Board Secretary, bringing experience in both clinical and organisational governance. So lots of change, which has brought new perspectives and challenged us all to fresh thinking.

We also welcomed newly elected and appointed Governors to our Council of Governors. Les France was re-elected as Lead Governor. Les brings such a richness of experience and understanding of LYPFT and I am grateful for his support in my role as Chair. I am very grateful for the contribution of all our governors and their continued work in the Trust.

We do have some hard challenges. We are having to rely too much on out of area placements for some of those who need our inpatient care and are doing a lot of work to improve this. We have significant financial pressures and also have to work with all the other NHS organisations in West Yorkshire to make sure we all balance our budgets, so again, lots of work to do to make sure we end the year in a good financial position.

We continue to face major challenges in recruitment and still have much higher levels of vacancies than we would wish. Our workforce team are being very imaginative about how we use new roles, such as more apprenticeships, and also how we develop the careers of existing staff. I am grateful to all colleagues in every part of LYPFT who continue to provide such excellent care despite this and other pressures.

It is all these colleagues who provide the delight for my role as Chair, as I get out and about on learning visits or hear from teams presenting at board meetings. I see so much enthusiasm, care and innovation from teams across LYPFT, from colleagues going the extra mile to ensure a good experience for service users, to teams learning from national studies to implement new ideas and, in many cases, also contributing to such studies to share their own innovations. Co-production remains a key objective for LYPFT and I am so pleased to see this working in practice. Our teams have found so many different ways to ensure co-design with service users; engagement with service users and families and developing great roles for those with lived experience, several now leading services themselves.

The NHS, and LYPFT in particular, is a great place to work and our teams see many positives, such as our huge range of career development offers. We do know, however, that often colleagues are delivering impressive work in the face of both organisational pressures and sometimes also personal worries about the cost of living. I am pleased that we continue to find ways to value and thank our teams for their commitment, from the popular coffee vans to the amazing carnival themed Big Thank You event we held in June.

One final aspect of my role as Chair that has further developed this year has been LYPFT's role in partnership working, within both West Yorkshire and Leeds. We have a formal shared committee with the other mental health, learning disability and neuro diversity Trusts in West Yorkshire, and 2024 was the start of my turn to chair this. The committee is overseeing some great work, including developing an expansion of perinatal care for all of Yorkshire, which will be based in Leeds and led by LYPFT. Many members of our senior team are leading work on behalf on the West Yorkshire Integrated Care Partnership and have participated in initiatives such as the West Yorkshire Neurodiversity Summit to better understand and support needs. In Leeds, we have a quarterly meeting of Local Authority, Voluntary Sector and NHS organisations to ensure we understand our local communities and how we serve them. This year we joined the launch of a new Health and Wellbeing Strategy for Leeds and we are committed to ensuring that the needs of our service users, whether mental health, learning disability or neuro diversity, are fully recognised and supported within this.

1.1.2 A MESSAGE FROM OUR CHIEF EXECUTIVE

It's fair to say 2023/24 has brought another wave of challenges and opportunities which we have engaged with and overcome as we always do. It is more important than ever to keep our Trust values of simplicity, caring, and integrity at the heart of all we do. I am incredibly proud of everyone at the Trust who delivered excellent care or enabled it to happen at a time where demand continues to grow beyond our resources. I will do my best to cover some of the key highlights of the year.

We have experienced one of the most demanding winters regarding adult acute patient flow and bed capacity that I have seen as CEO of the Trust. Despite these challenges, I want to recognise the hard work of teams across the Trust, which managed the complexity, risk, and decision-making because of that demand, and celebrate how we have come together. We are putting in additional leadership capacity and support to get us on a more sustainable footing to reduce the need for vulnerable people to be cared for away from home.

Following concerns raised through our Freedom to Speak Up Guardian regarding our Forensic Services, we undertook a listening exercise to understand the issues and concerns raised about the culture and working climate of Leeds' Low Secure Forensic Services. From this, we are developing a significant team development programme led by a new leadership team.

We have overcome significant challenges in our Community Mental Health Service this past year, thanks to the support of colleagues from across the Trust who provided additional capacity. The Service has now stabilised with improved recruitment, reduced caseloads and referrals being responded to much quicker. This provides a solid foundation for the community mental health transformation work which has now gone live in three pilot sites. The aim is to provide a more local, integrated, and easy to access service for people in their communities.

We recently launched a new day service for children with eating disorders at Mill Lodge in April of this year. This service is a trailblazer in changing the model of provision for children with eating disorders. We invested significantly in the building at Mill Lodge to make this happen. We changed its use to enable this day service to coexist next to the inpatient provision already at the site, with partners delivering this project on time.

During 2023/24, we started planning to expand our Perinatal Service at the Mount after being allocated funding to lead this Service for the region. The expansion has meant that we have had to examine the ongoing provision for our Older Peoples Service, also based at the Mount. I am grateful for the continued support and cooperation from the teams based at the Mount to create space for the perinatal expansion and for working hard to ensure minimal disruption in the process. This will be carried forward into 2024/25.

Our Critical Incident Staff Support Pathway (CRISSP) was introduced in 2022 and has grown from strength to strength, responding to incidents across the Trust with 67 debriefs involving 273 staff in the last year alone, making a massive difference to teams. We have also been rolling out CRISSP team leader and peer practitioner training across the Trust as we learn from the work and understand the different scales of incidents and how they impact people. We want to give teams these skills to make that support available to as many people as possible.

We've seen amazing work done by staff and teams with service users. It's impressive to see the diverse therapeutic approaches employed. Emerge Leeds and a local donkey sanctuary supported a service user in their recovery. Ward 5 of the Newsam Centre launched an album, "Sometimes Falling Up," with the help of Beat the Blues and Cloth Cat.

Building on the work set out in 2022, we continued transforming our mindset regarding recruitment. We set out our goals for integrating values based recruitment in the Trust, where we recruit people based on their values and believe their lived experience is an advantage. We ran a successful recruitment pilot using this in 2023. I am pleased that more professional groups will be using values based recruitment during 2024, with the aim for all professional groups to be using this when recruiting by 2026.

Over the last year, we also took great strides in investing in our leaders through our work on collective leadership. This approach adopts a relational, person-centred strategy to drive the organisation forward. Our senior leaders are undertaking a relational coordination assessment and co-creating interventions to improve how we work together and communicate across boundaries. We are looking at how we embed collective leadership across the organisation, linking it to our 360 Manager programme that launched in 2023.

In July 2023, the Trust gained the highest recognition for supporting the armed forces community, the Defence Employer Recognition Scheme 2023 Gold Award. As a forces-friendly employer, we make a real difference to those who play a crucial role in UK defence and help to inspire the next generation through our involvement with the cadet movement. We're also proud to work with White Ribbon UK, the UK's leading charity that engages men and boys to end violence against women and girls, to achieve White Ribbon accreditation. This shows our commitment to promoting change in our staff culture, systems, and communities. Our dedicated White Ribbon ambassador will encourage our male workforce to speak out against abuse and sexism.

Last year, we said goodbye to Cathy Woffendin, the Director of Nursing, Quality, and Professions, who retired. I was pleased to welcome Nichola Sanderson as Cathy's successor. Nichola has been at the Trust as Deputy Director of Nursing since April 2017. At last year's annual general meeting, I announced that Cath Hill, our Associate Director for Corporate Governance, was retiring in the autumn, since then, we have had Clare Edwards join, taking on the role. The Trust's Freedom to Speak Up Guardian John Verity took a well-earned retirement and Shereen Robinson joined in the Autumn last year to take on this hugely important role.

2023 marked 75 years of the NHS which we celebrated at our last annual members meeting. Remembering the stories shared by our staff and service users, I am humbled and incredibly proud to be part of the NHS and work with the most incredible people at the Trust with such remarkable experiences. Last year also marked the 75th anniversary of the arrival of the Windrush generation from the Caribbean. Our Workforce Race Equality Network hosted a session where colleagues shared their personal stories and connections to the Windrush generation. Hearing these stories and understanding their deep links to the NHS and the communities in Leeds showed us the diverse picture that built the NHS.

One thing I know many staff look forward to is our Big Thank You celebrations. Rarely do teams come together to celebrate the good and acknowledge their achievements throughout the year. With the 75th anniversary of the NHS, it seemed more significant to recognise the continued hard work, and our carnival celebration was just the ticket! It had been a long time since we came together as a Trust with teams from different services in the same place - colleagues met in person who have only talked on Teams!

Our teams achieved a lot last year despite challenges, winning a number of national awards and accreditations. Julie McGrath won the Chief Nursing Officer Award 2023 for support worker excellence. Ian Mobley received the 2023 Pets as Therapy Impact Award for his work with his dog Indie at our St Mary's Hospital site. Synergi-Leeds, a partnership between the NHS, Public Health, and the local community and voluntary sectors, was named Mental Health Innovation of the Year at the Health Service Journal Awards. A mosaic produced by patients and staff at in the Perinatal Mental Health Service, based at The Mount Hospital, won the prestigious Royal College of Psychiatrists 2023 Art Competition. We are also delighted to be accredited with the International Nursing and Midwifery NHS Pastoral Care Quality Award. The award is a testament to our commitment to providing pastoral care,

which NHS England has approved as the definitive set of standards for trusts to protect the welfare of internationally educated colleagues.

We also completed a much-needed significant building refurbishment of our St Mary's House site to modernise the main building, making it suitable for our Trust HQ and boosting our agile working capacity. I may be biased, as I am based at this site, but it is impressive. Modernising our digital solutions is always an ongoing process. This year, we achieved this by switching our staff intranet to SharePoint Online. It allows staff much easier access to critical information.

Over the last year, it has felt like we have made tremendous progress in moving the Trust forward; when I look back and review what we have achieved, a lot of time in the face of enormous pressures, I am incredibly proud to be part of this Trust. We continue to operate in a challenging environment, always trying to keep up with demand, and looking ahead to innovate through research and improvement. We will continue in the year ahead to deliver safe, high-quality services, despite the challenges that will come up, because we all genuinely care about what we do and want to do the best for those we serve.

1.1.3 ABOUT OUR TRUST – A BRIEF HISTORY AND STATUTORY BACKGROUND

As part of the NHS and Community Care Act (1990) the Leeds Community and Mental Health Services Teaching NHS Trust was formed on 1 February 1993. This was a self-governing trust providing community, mental health and learning disability services within the Leeds metropolitan area. In 2002 the community services previously provided by the NHS Trust transferred to the PCTs in Leeds, and the Trust was renamed the Leeds Mental Health Teaching NHS Trust; providing only mental health and learning disability services.

On 1 August 2007 NHS England (formally Monitor) authorised us as a foundation trust, and we were formed as the Leeds Partnerships NHS Foundation Trust under the NHS Act 2006. As a foundation trust we provide mental health and learning disability services and have freedoms to act which NHS trusts don't.

A further development for our Trust was the acquisition of mental health, learning disability and substance misuse services from NHS North Yorkshire and York and NHS England on 1 February 2012. To reflect the new geographical area in which services were provided we became the Leeds and York Partnership NHS Foundation Trust. However, the services commissioned by NHS North Yorkshire and York transferred to Tees, Esk and Wear Valleys NHS Foundation Trust on 1 October 2015, although the Trust still provides specialist services commissioned by NHS England from its York bases to a regional population.

1.1.4 OUR STRATEGY

Our Trust Strategy *Improving health, improving lives*, describes what we want to achieve and how we plan to get there. The strategy is designed around the three key elements of delivering great care; a rewarding and supportive workplace; and effective and sustainable services.

Our strategic intent is set out in our Trust Strategy (2018 to 2023). This has been fully aligned with the key themes within national and local strategies and the challenges and opportunities we see ahead over the next one to five years. We have continued to work alongside commissioners and providers, both locally and regionally, to develop integrated strategic objectives and plans.

In line with their statutory responsibility, our governors played a key role in shaping our strategy and through a series of meetings provided feedback to the Board of Directors on the views of the Council and members. These views were fed into the process of developing the strategy.

1.1.4.1 Our goals, strategic objectives and priorities

Through extensive staff, governor and member engagement the organisation developed and agreed its vision and ambition; three simple objectives that describe the outcomes we aspire to; and the values we will work to. Our objectives are the three things we believe will help us achieve our vision and which we are passionate about realising. We have deliberately kept them simple so all our staff can keep a clear

focus on them every day and in everything they do. For each objective we have a series of priorities for action. All our priorities are tracked through our governance framework to make sure we are on course to achieve them.
A headline summary of our strategy can be found below.

Table 1.1A – Our Trust strategy

Purpose	Improving health, Improving lives	
Vision	To provide outstanding mental health and learning disability services as an employer of choice	
Ambition	We support our service users and carers, our staff and the communities we serve to live healthy and fulfilling lives. We want to achieve our personal and professional goals; to live our lives free from stigma and discrimination; and to improve the lives of people with a learning disability and mental ill health	
Our values		
We have integrity We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.	**We keep it simple** We make it easy for the communities we serve and the people who work here to achieve their goals.	**We are caring** We always show empathy and support those in need.
Our strategic objectives		
1. We deliver great care that is high quality and improves lives.	2. We provide a rewarding and supportive place to work.	3. We use our resources to deliver effective and sustainable services.

1.1.4.2 Our strategic plans

To support the delivery of our overarching strategy our Board agreed five 3-year strategic plans. These are: the LYPFT People Plan; the Quality Strategic Plan; the Care Services Strategic Plan; the Strategic Health Informatics Plan; and the Strategic Estates Plan. These were signed off by our Board and priorities to support delivery of the plans are agreed by the Board each year. More information about our strategic plans can be found on our website using the link below: www.leedsandyorkpft.nhs.uk.

1.1.5 OUR VALUES AND BEHAVIOURS

Our values and behaviours describe what attitudes and behaviours we believe are important in achieving our purpose. A key part of our strategy development focused on the values and behaviours our staff are committed to deliver. Our charter of values is set out below.

Table 1.1B – Our values and behaviours

Our values	Behaviours that uphold our values
We have integrity We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.	• We are committed to continuously improving what we do because we want the best for our service users. • We consider the feelings, needs and rights of others. • We give positive feedback as a norm and constructively challenge unacceptable behaviour. • We are open about the actions we take and the decisions we make, working transparently and as one team with service users, colleagues and relevant partner organisations.
We are caring We always show empathy and support those in need.	• We make sure people feel we have time for them when they need it. • We listen and act upon what people have to say. • We communicate with compassion and kindness.

We keep it simple We make it easy for the communities we serve and the people who work here to achieve their goals.	• We make processes as simple as possible. • We avoid jargon and make sure we are understood. • We are clear what our goals are and help others to achieve their goals.

1.1.6 STATEMENT OF PURPOSE AND ACTIVITIES OF THE TRUST

We are a provider of specialist mental health and learning disability services. As a teaching trust with strong links to local universities we have a reputation as a centre of excellence for teaching, research and development, partly attributable to the national profiles of a number of our clinicians.

Leeds and York Partnership NHS Foundation Trust is the main provider of specialist mental health and learning disability services in Leeds. We also provide specialist services across York, the Yorkshire and Humber region, and some highly specialised national services. We have developed robust relationships with service users, carers and our partners in the NHS, Local Authorities and third sectors.

We provide services to approximately 811,927 individuals in the Leeds areas and specialist services and accept referrals from across the UK. We operate from 80 dispersed sites and employ approximately 3297 staff and nearly 615 bank staff.

Clinical services are currently delivered across nine service lines:

Acute services	Learning Disabilities services	Perinatal and Liaison services
Older People's Services	Children and Young Peoples' Mental Health Services (CYPMHS)	Regional Eating Disorders and Rehabilitation services
Forensic services	Community and Wellbeing services	Regional and specialist services

Our services are delivered across a range of settings in Yorkshire and the Humber and our Deaf Children and Young Peoples' Mental Health Service operates from Manchester and Newcastle. They are commissioned by a range of commissioners, including national specialised commissioning (NHS England), Integrated Care Boards, the Local Authority and Public Health. A number of our services are also delivered through formal partnerships with other agencies. The services we provide include:

- Community Mental Health Teams
- Care Home Team
- Memory Service
- Crisis Assessment Services
- Intensive Community Services including the Home-Based Treatment Team
- Younger People with Dementia Team
- Psychological and Psychotherapy Services
- Assertive Outreach Team
- Older People's Liaison Mental Health Service (based at St James's Hospital)
- Mental Health Inpatient Services
- Dementia Inpatient Service
- Rehabilitation and Recovery Services
- Healthy Living Service.
- Forensic Services
- Children and Young Peoples' Tier 4 Inpatient Mental Health Services
- Learning Disability Services
- Eating Disorders Services
- Gender Identity Services

- Liaison Psychiatry
- National Deaf Children and Families Service
- Northern School of Child and Adolescent Psychotherapy (NSCAP) Clinical Services
- Perinatal Services
- Personality Disorder Services
- Veterans Service
- Gambling Addiction Service.

1.1.7 PRINCIPAL RISKS AND OPPORTUNITIES FOR THE ORGANISATION

1.1.7.1 Risks

Key or principle risks for the organisation are those that have been identified as strategic risks on the strategic risk register which populate our Board Assurance Framework (BAF). Each of these risks has an identified executive director and management lead. The risks are managed through the risk management, risk register and operational planning processes. They are reported to the Executive Risk Management Group, Board sub-committees and the Board through the BAF. Behind each risk is a detailed risk assessment which sets out the controls and mitigations.

The Board has assessed its risk appetite which is 'open' to considering all potential options and solutions. It is classed as 'high' in relation to that openness, but the Board would not take risks that either compromise the Trust's compliance with its duty of care to staff and service users or compromise compliance with the core regulatory and legislative frameworks within which it has a licence to operate. These risks set the context in which the Board and its sub-committees carry out their roles.

The Board and its sub-committees continue to keep the risks under review at each meeting to gain assurances on the actions being taken and to understand the impact on performance and future plans.

During 2023/24 the Board considered and refreshed the strategic risks to ensure the strategic risks reflect the key issues that could affect the Trust in delivering its objectives and / or its future success and sustainability. The Board did this through workshops and in consultation with the Board sub-committees. The Board signed off the refreshed risks in March 2024. Following the finalisation of the Trust's strategic objectives for 2024/25, the BAF strategic risks will be reviewed in order to ensure that they are reflective of the key risks associated with the delivery of the Trust priorities and objectives. This will be reviewed on an ongoing basis via the Board and sub-committees in line with good governance and risk management processes.

In summary the key strategic risks are described as follows:

Table 1.1C – Our key strategic risks

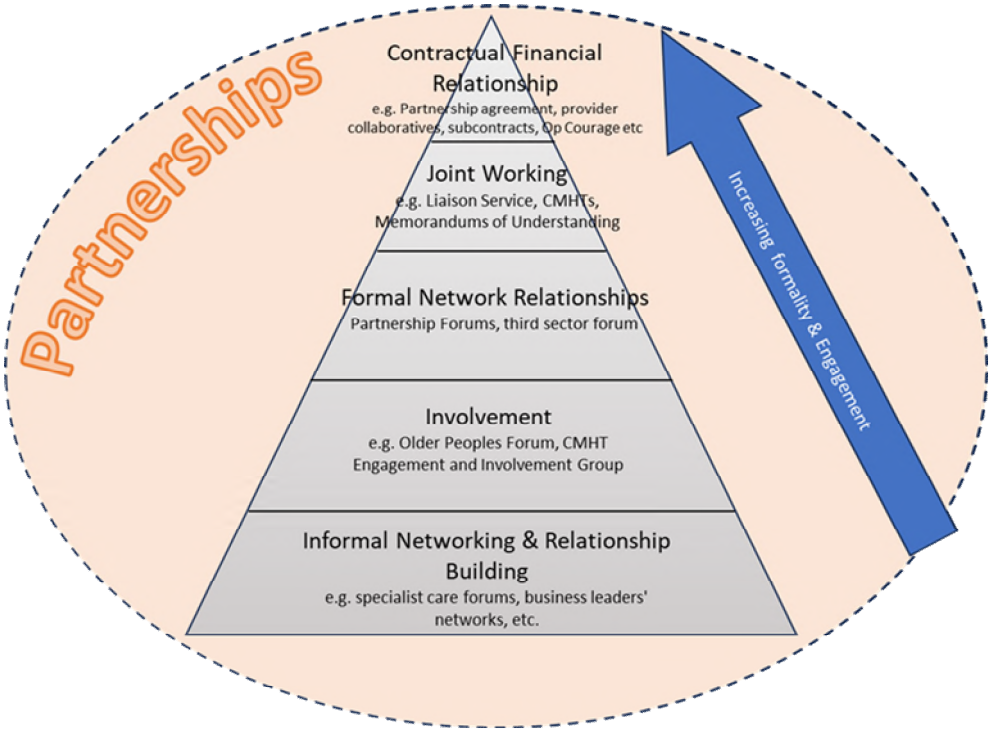
Strategic risks	Linked to Strategic Objective:
SR1 - If there is a breakdown of quality including safety assurance processes, we risk not being able to maintain standards of safe practice, meeting population health needs and compliance with regulatory requirements.	We deliver great care that is high quality and improves lives
SR2 - There is a risk that we fail to make the improvements outlined in the Quality Strategic Plan and that this has an impact on how we understand and act on the care of those who use our services.	We deliver great care that is high quality and improves lives
SR3 - There is a risk that we fail to deliver a culture and environment that recruits, retains, and attends to the wellbeing of staff to enable them to be their best and deliver quality services now and in the future.	We provide a rewarding and supporting place to work
SR4 - There is a risk that a lack of financial sustainability results in the destabilisation of the organisation and an inability to meet our objectives.	We use our resources to deliver effective and sustainable services

SR5 - Due to an inability to provide adequate working and care environments we risk being unable to deliver safe and effective services.	We use our resources to deliver effective and sustainable services
SR6 - As a result of insecure, inadequate and poorly utilised digital technologies there is a risk the quality and continuity of services is compromised.	We use our resources to deliver effective and sustainable services
SR7 - There is a risk we fail to understand, plan and deliver services that meet the health needs of the population we serve.	We deliver great care that is high quality and improves lives

1.1.7.2 Opportunities

The opportunities for the Trust focus on developing our services and partnerships. Working in partnership provides us with an opportunity to work cohesively across geographical areas to ensure there is a seamless provision of care for our service users. During 2023/24 the Trust has focused on strengthening relationships with partners system wide.

The Trust values working in partnership and recognises the positive impact this has on service users' experience and we will continue to develop partnerships through 2024/25 using the framework and approach illustrated below:



1.1.7.3 Our wider partnership context

We operate within a health and care system and we work with partners to join up care pathways to improve outcomes for the people who use our services. We provide many of our services in collaboration with our partners in our place and Integrated Care Systems, as well as regionally and nationally.

We have agreed to work in partnership with other members of the West Yorkshire Health and Care Partnership to provide services across and beyond West Yorkshire. We work together to deliver the best possible care, experience, and outcomes for people within the available resources. Each collaborative organisation has a governance structure and partnership agreement that provides assurance through to

a Committees in Common which was established to oversee the system-wide programme to deliver this collaborative model of care.

In West Yorkshire we currently have four Provider Collaboratives:

- LYPFT is the lead provider for Tier 4 Children and Young Peoples Mental Health Services.
- LYPFT is the lead Provider for Adult Eating Disorders (CONNECT)
- LYPFT is a partner in the Secure Service Provider Collaborative
- LYPFT is part of the West Yorkshire Assessment and Treatment Units (ATU) collaborative commissioning model, led by Bradford District Care NHS Foundation Trust.
- 2024/25 will see LYPFT become the Lead Provider for the new Perinatal Mental Health Collaborative across three ICS regions; West Yorkshire, Humber & North Yorkshire and South Yorkshire.

We are also part of the Humber and North Yorkshire Health and Care Partnership, and a partner within the Humber and North Yorkshire Provider Collaborative providing Adult Secure Services and Children and Young Peoples Mental Health Inpatient Services within similar governance and assurance processes to ensure the future sustainability of these services.

Our partnership working is driven through established programme and delivery boards, such as the West Yorkshire Specialised Programme Board and place-based population health boards, including the Mental Health Population Board and the Learning Disability and Neurodiversity Population Board. We hold seats on all the place-based population health boards. As part of our collaborative we have a West Yorkshire Mental Health, Learning Disability and Autism programme of work. Our Chief Executive is the chair of the Programme Board.

We have an increasing number of partnership working arrangements with third sector partners to deliver key aspects of our services, for example:

- Touchstone – community support workers within community mental health services
- Aspire – early intervention in psychosis service
- Mind – peer support workers
- St Annes– harm reduction workers

1.1.8 GOING CONCERN STATEMENT

After making enquiries, the directors have a reasonable expectation that the services provided by Leeds and York Partnership NHS Foundation Trust will continue to be provided 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.

1.1.9 THE ENVIRONMENT IN WHICH WE OPERATE

1.1.9.1 The national context

In January 2019, NHS England published the NHS Long Term Plan, setting out a ten-year vision for health services in England; showing how it will use the NHS long-term funding settlement that was agreed by the Government in July 2018. The Plan includes proposals that are relevant specifically to the Trust and for the partnerships we work in. The Plan guarantees investment in community services, promoting greater partnership working between primary and community care. The Plan continues the focus on the priorities within the Five Year Forward View for Mental Health and outlines further work on community mental health teams and other aspects of core services, including child and young peoples' mental health services. The Plan also sets out priorities for learning disability services, autism and neuro-developmental conditions, dementia and frailty and outlines work to support digital developments and the use of data, a focus on health inequalities and an emphasis on system working.

1.1.9.2 The regional context – West Yorkshire Health and Care Partnership

The West Yorkshire Health and Care Partnership is an integrated care system (ICS). ICS's organise health and care services to support people and communities to be healthier and happier. They bring together partners across one area, including local councils, the NHS, care providers, charities, and voluntary and community organisations.

The work of the West Yorkshire Health and Care Partnership focuses on four main areas:

- Improving health and care outcomes for people
- Addressing health inequalities
- Increasing productivity and efficiency
- Supporting broader social and economic development.

Within the West Yorkshire Health and Care Partnership, there is a Partnership Board. The Board is an important group for the Partnership which covers Bradford District and Craven, Calderdale, Kirklees, Leeds, and Wakefield District. Elected members, partner executives, and non-executives are brought together in one decision-making process. Our Chief Executive, Dr Sara Munro, is a Board member. The Partnership also includes a legal organisation known as the NHS West Yorkshire Integrated Care Board (ICB). As a result of the Health and Care Act 2022, the ICB became a statutory organisation from 1 July 2022, meaning it became an officially recognised and authorised body under the law, with the legal power to carry out its responsibilities in the Partnership.

Together across West Yorkshire, the Partnership supports 2.4 million people living in urban and rural areas. 770,000 are children and young people. 530,000 people live in areas ranked as the poorest 10% of England. 20% of people are from minority ethnic communities. There are an estimated 400,000 unpaid carers, as many don't access support. Together the Partnership employs over 100,000 members of staff and works alongside thousands of volunteers.

The work is carried out across five places - Bradford District and Craven, Calderdale, Kirklees, Leeds, and Wakefield District. This approach, known as place-based working, uses the strengths, abilities, and knowledge of everyone involved.

Across West Yorkshire there are also strong care provider collaboratives, including West Yorkshire Association of Acute Trusts, the Mental Health, Learning Disabilities and Autism Collaborative (MHLDA), the Community Healthcare Collaborative and the Hospice Collaborative. Provider collaboratives are often partnerships between two or more NHS trusts, such as hospitals and mental health services. NHS providers face big challenges, such as more people needing services, and staff recruitment and retention concerns. These challenges are too big for one organisation to handle alone. So, the idea of collaboratives is to bring providers together to tackle these challenges together, whilst sharing good practice.

Working together provides greater opportunities to deliver the West Yorkshire Integrated Care Strategy and Joint Forward Plan - which aims to make sure that all people are given the best start in life and are able to remain healthy and age well.

Throughout 2023, numerous milestones have been achieved in West Yorkshire, showcasing a commitment to community involvement, innovation, and healthcare excellence. For example, volunteers with firsthand experience of suicide worked together to develop guidelines, promoting good practices for involving people with lived experience, ensuring their voices are heard and valued. In 2023, the Partnership became the first System of Sanctuary in the country, receiving national acclaim for welcoming and supporting people seeking sanctuary within communities. The Partnership also celebrated the two-year anniversary of its Health Inequalities Academy.

Through initiatives like West Yorkshire Voice, people contribute to the development of health and care services across the area, promoting inclusivity and building on the good work which takes place locally. Through campaigns like Suicide Prevention Champions and mental health, learning disability, and autism transformations, the Partnership fostered awareness, reduced stigma, and provided vital support to hundreds of people. Leveraging technological innovations, solutions like virtual wards were introduced to deliver efficient healthcare services, enabling people to receive care in the comfort of their homes.

Other areas of work in 2023/24 included improving palliative and end-of-life care services across the area with local hospices and the Mental Health, Learning Disabilities, and Autism Collaborative Staffing Initiative, established to address workforce challenges and ensure safe staffing levels.

SECTION 1.2 – THE PERFORMANCE REPORT (Performance Analysis)

1.2.1 MEASURING PERFORMANCE

1.2.1.1 Contractual and local targets

We have NHS England targets, NHS Standard contract requirements, locally agreed performance and quality measures and plans with our local health system partners (referred to in this section as targets and measures). We produce Quality, Performance and Workforce Reports for our Executive Team and Heads of Services. The Performance Report accompanies the Chief Operating Officer Report which is presented to our Board of Directors for review on a bi-monthly basis and includes the requirements for monitoring performance of national targets and standards, as well as contractual and local metrics and performance against plans. The Quality and Workforce Reports are shared with and discussed by our Board sub-committees to provide challenge, insight, and assurance.

We have in place a quality, delivery and performance framework that delivers reporting for our team and service managers, as well as Heads of Services. Dashboards and reports are used to promote discussion and challenge in team and service quality, delivery and performance meetings and operational delivery groups. We also have a reporting schedule to submit performance and quality information to our commissioners.

As might be expected with the significant workforce challenges the Trust has faced in 2023/24, several services have consequentially had variable performance. Throughout this period our staff have worked flexibly to support our shared aim of continuing to care for our service users, providing care even when service provision was temporarily scaled back to allow staff to be redeployed to other services. All our care and support services are vitally important to people, and we have aimed, wherever possible, to deliver the care and support needed including redeploying staff where necessary.

Work has continued to understand the underlying data contributing to a number of our contractual measures, to help services better understand issues with flow, capacity and demand. We remain committed to delivering care in the most appropriate, individualised and clinically effective way within the constraints we have been faced with. In 2023/24, we have further expanded the dashboards within CareDirector and made the most of interoperability opportunities to provide real time analytics from within CareDirector itself. Work has continued to triangulate data from other sources, and we have supported system colleagues to understand national data flows and utilise these for reporting – reducing the burden across the care system.

Our programme of data quality audits continued in 2023/24, which measured performance against the service's caseload. The findings for these audits were presented back to operational management meetings and to individual services to provide oversight and assurance of reporting. We continue to make improvements to CareDirector to ensure that data quality issues are resolved as close to the point of data entry as possible and, crucially, using this data to help services understand more about the people who access their service (comparing demographic information against the local population, for example).

We continue to monitor and work to improve against our contractual and local targets. The table below sets out our performance during 2023/24.

Table 1.2A – Our contractual and local targets

Our contractual and local targets					
LEEDS PLACE					
	Target	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4

Timely access to a MH assessment under S136 (target within 3 hours)	No target	24.0%	12.4%	18.7%	17.4%
Crisis and Intensive Support – Timely access to crisis assessment (ftf within 4 hours of referral)	90.0% (by Q4)	59.1%	54.5%	52%	69.1%
Crisis and Intensive Support – Length of stay on caseload (% less than 6 weeks)	70.0%	94.9%	93.6%	91.3%	87.1%
Crisis and Intensive Support – Frequency of contact (seen or visited 5 times in first week)	50.0%	54.6%	52.3%	44.2%	47.5%
Crisis and Intensive Support – Facilitated early discharge	No target	10.5%	9.1%	11.1%	9.8%
Timely commencement of a MH assessment by the ALPs team in the LTHT Emergency Department (1 hour)	No target	69.3%	77.8%	80.0%	78.6%
Timely access to a mental health assessment by the LYPFT liaison Psychiatry In-reach Service (24 hours)	90.0%	78.4%	76.0%	80.5%	84.1%
Bed Occupancy rates for Acute Adult Inpatient Services	94.0% - 98.0%	99.8%	100.7%	99.8%	100.0%
Percentage starting LADS assessment within 13 weeks	No target	7.6%	15.4%	13.6%	24.4%
Perinatal Community DNA Rate	No target	12.6%	15.9%	11.1%	7.9%
Perinatal Community – Timely access (less than 2 weeks) for routine referrals	85.0%	94.5%	94.8%	96.6%	93.5%
Perinatal Community – Timely access (less than 48hrs wait) for urgent referrals	No target	100.0%	95.8%	85.7%	90.3%
3 Day Follow Up – CCG Commissioned Services	80.0%	79.5%	79.3%	82.4%	75.9%
Waiting times Access to Memory Services; Referral to first face to face contact within 8 weeks	90.0%	48.8%	59..3%	62.3%	74.9%
Memory Services – Time from Referral to Diagnosis within 12 weeks	50.0%	41.3%	41.1%	49.6%	42.1%
Waiting times for Community Mental Health Teams first contact within 15 days	80.0%	78.3%	82.4%	70.1%	78.5%
Percentage of CLDT referrals seen within 4 weeks of receipt of referral	90.0%	75.0%	70.0%	77.2%	66.3%
Incidents Reported within 48 hrs from Incident identified as Serious	100.0%	100.0%	100.0%	100.0%	66.7%
Cardio Metabolic Assessment (current SMI inpatients)	90.0%	78.9%	80.2%	77.8%	69.4%
Cardio Metabolic Assessment (EIP Service)	90.0%	82.0%	65.2%	65.8%	77.1%
Percentage of people discharged to primary care (EIP Service)	No target	63.3%	74.3%	62.3%	66.2%
NHS ENGLAND					
	Target	**2023/24 Q1**	**2023/24 Q2**	**2023/24 Q3**	**2023/24 Q4**
Gender Identity Service – Waiting List	No target	4453	4851	5358	5745
Perinatal Community – Number of distinct women seen in rolling 12 months (LCCG only)	852 (by Q4)	792	839	894	966

CYPMHS Inpatients – Assessed within 7 days of admission (HoNOSCA / GBO)	100%	42.9%	61.5%	52.9%	40.0%
OTHER REPORTED INDICATORS					
	Target	**2023/24 Q1**	**2023/24 Q2**	**2023/24 Q3**	**2023/24 Q4**
Appraisals	85.0%	67.7%	70.5%	83.2%	85.2%
Clinical Supervision	85.0%	71.1%	69.8%	69.6%	70.3%
Sickness Absence Rate	4.9%	6.0%	6.0%	5.9%	6.0%
Staff Turnover	10.0%	9.4%	8.8%	8.4%	8.1%
Healthcare Associated Infections – C. difficile	0	0	0	0	0
Healthcare Associated Infections – MRSA	0	0	0	0	0
Delayed Transfers of Care	No target	12.1%	13.5%	13.0%	11.4%
Data Completeness – NHS Number	No target	99.1%	99.2%	99.2%	99.3%
Data Completeness – Ethnicity	No target	79.7%	80.6%	82.1%	81.7%
Data Completeness – Sexual Orientation	No target	42.2%	44.2%	47.9%	47.6%
SYSTEM OVERSIGHT FRAMEWORK AND STANDARD NHS CONTRACT					
	Target	**2023/24 Q1**	**2023/24 Q2**	**2023/24 Q3**	**2023/24 Q4**
3 Day Follow Up – Trust wide services	80%	80.5%	79.7%	79.8%	71.4%
Data Quality Maturity Index (MHSDS)	95%	92.3%	92.3%	92.4%	*
Early Intervention in Psychosis - % waiting less than 2wks for a NICE recommended package of care	60%	61.5%	46.7%	20.7%	67.1%
Never Events	0	0	0	0	0
Number of Incidents	No target	3,584	3,057	3,965	3,809
Inappropriate out-of-area placements for adult mental health services (number of bed days)	450 (by Q4)	1,810	2,335	2,819	3,415

*Data Quality Maturity Index is published by NHS Digital three months in arrears, therefore, an updated Q4 position cannot be provided.

1.2.2 FINANCIAL PERFORMANCE

1.2.2.1 Overview

The Trust continues to manage its finances and operate within the business rules set out for Integrated Care Systems (ICSs) since the Health and Social Care Act 2022. This means the Trust's financial performance is linked to the statutory obligation of the West Yorkshire ICS to not exceed set revenue and capital limits. This is achieved through a framework of collaboration and partnership working. In West Yorkshire we operate as five places and our Trust is part of the Leeds place, but all organisations work collectively to achieve the financial performance targets set. Whilst this collaboration is important the Trust maintains its individual organisational statutory duties and autonomy. At the start of the year the Trust agreed its revenue and capital plans as part of the overall ICS plans and has achieved them.

The block Patient Income allocation arrangements within the NHS continued in 2023/24 and are likely to remain for the foreseeable future. During the year, the Trust maintained overall good financial governance in managing its finances whilst supporting services and managers who were operationally

focused on embedding a business as usual approach after the effects of Covid-19. There continued to be significant challenges and financial pressures in the year that related mainly to inflationary price increases, the availability of staffing and the availability of inpatient bed capacity.

In relation to staffing, the focus was on ensuring sufficient safe staffing cover was maintained whilst dealing with significant levels of vacancies within the Trust. This contributed to a continuation in the high levels of use of agency in the year (see below operating expenses). The use of out of area placements (where service users cannot receive inpatient treatment locally due to bed capacity) increased significantly for working age adults due to an increase in the average length of stay of patients, however the Trust made good progress in reducing complex rehabilitation placements in year. The Trust also incurred significant cost pressures due to inflationary price increases across most non-pay budgets within the financial year, specifically utilities and food prices.

The overall good financial performance and management of the Trust's resources was maintained in 2023/24. Since the introduction of the Health and Care Act 2022, overall performance is now monitored at a system level. The Trust achieved it's NHS adjusted financial position in year and contributed to the West Yorkshire system delivering it's planned revenue break-even position. Capital expenditure limits are now also set at a system level, which the West Yorkshire system then delegates to providers. The Trust delivered a £6.1 million (m) programme in year, due to the capital limit in place, expenditure was focussed on agreed core priorities.

1.2.2.2 The Statement of comprehensive income (year-on-year)

The statement of comprehensive income shows a deficit of £0.5m for the year ended 31 March 2024 (compared to a surplus of £1.5m in the previous year). However, this includes a technical expenditure movement of £2.5m at year end due to fixed asset impairments (downward asset valuations). Excluding this technical item (which is not included in system control totals) the Trust delivered a £2.1m surplus. It is a very positive result for the Trust to be able to deliver a surplus despite the ongoing challenges. This reflects the fact that the Trust had all the available resources required and had some non-recurrent benefit due to unplanned income, including that from commercial activities and some service development slippage.

Operating income

Trust income for the year increased to £256.9m (£241.6m in 2022/23). This is an overall increase of over 6%. The main change reflects the impact of inflation, and service development funding reflecting the Mental Health Investment Standard and long-term plan commitments. This represented £8.6m additional in 2023/24. All payments to NHS trusts for clinical services were maintained on a block basis throughout the year. There were some changes in other non-clinical income for commercial activities. In addition, finance income of £6.4m (£2.8m in 2022/23) was received in the year. This is fortuitous interest received as a consequence of the Trust having high cash balances and thus benefiting from rising interest rates calculated on our deposits.

Operating expenses

The total operating expenses for the year was £258.6m (£238.5m in 2022/23), which is a net increase of 8%. Staff costs are the Trusts single largest operating expense, and this increased by 6%. This included all confirmed aspects of the 2023/24 pay award, accounted for in year and there were also some small service development initiatives. There was a significant pressure due to the continuing level of agency expenditure in year of £11.2m (£11.8m in 2022/23). Although this reduced marginally in year, it remains a significant pressure that reflects workforce challenges mainly in recruiting to key medical and nursing roles. Over 50% of total agency spend was in relation to medical locum expenditure, as hard to recruit to consultant roles was a key challenge throughout the year. This was alongside newly registered nursing posts. Recruitment and retention is a high priority focus area in the Trust's People Plan.

Cost Savings/Efficiency

The Trust continued to ensure the best use of resources and implemented a number of efficiency thematic workplans at the start of the financial year (Agency, Patient Flow, Workforce and Productivity). These workplans brought an additional layer of financial governance, however had limited overall recurrent financial impact. These efficiency themes will continue into 2024/25. A review of the focus of actions and oversight has been undertaken to support the enhanced pace required to deliver the 2024/25 financial plan.

1.2.2.3 Capital expenditure

All ICSs must work within a defined capital allocation that is then devolved down to provider organisations, with additional funding allocated for specific purposes. Capital expenditure planning continued to be affected by inflation and capacity. Total capital investment for the year was £6.1 million (£8m in 2022/23). Of Trust total investment; £0.9 million was spent on the new Electronic Document Management (EDM) system and £2m on the refurbishment of St Mary's House, to be a corporate hub. A contribution from public dividend capital of £0.9 million funded EDM investments in year. The Trust received a further £0.7 million public dividend capital towards estates and digital critical infrastructure works in year. In addition to the major project of the EDM system and St Mary's House, the balance of expenditure was spent on other operational priorities, including IT infrastructure and backlog maintenance of the estate.

1.2.2.4 The statement of financial position

The summary of the Trust's overall value shows a net decrease in taxpayers' equity of £9.4 million to £121.5 million as at 31 March 2024. This reflects the impact of the change in accounting treatment for leases and PFI (£11.2m), the deficit generated in the year, the annual revaluation and the public dividend capital received in year. Working capital (current assets less current liabilities) reduced £3.8 million in year, within this net cash decreased £6 million and receivables decreased £1.1m, offset by a decrease in payables, provisions and other liabilities. The surplus cash held at the end of the year was deposited with the Government Banking Service (GBS). It is Trust policy to deposit any temporary surpluses in cash in low-risk deposit accounts with either United Kingdom commercial clearing banks or the HM National Loans Fund, when interest rates are more beneficial than GBS.

1.2.2.5 Future financial outlook and risks

It is clear through planning guidance that the financial environment in 2024/25 and onwards will be significantly challenging within the NHS. The introduction of system revenue plans with the expectation that the overall system remains in financial balance (break-even) brings challenge. The West Yorkshire Health and Care Partnership, like most systems, is entering 2024/25 with significant overall financial risk, which may manifest differentially across organisations and places, but with a shared obligation to achieve targets. Distribution of risk and challenge is perhaps made harder with providers starting from different underlying positions. The system capital allocation constrains programmes and the funding formula to produce this allocation brings additional complexities. The Trust has a reduced capital resource envelope for 2024/25 which means prioritisation is key, with difficult decisions on which projects to proceed with to be made based on relative risk. There is also an increased efficiency challenge in 2024/25 that means robust, feasible plans are essential to ensure that the Trust remains financially sustainable. Progress has been made to meet the efficiency challenge and embed good governance in the process of identifying and delivering recurrent savings.

There remains national commitment to continue to invest differentially in mental health services and the long-term plan funding commitments will continue into 2024/25. The Trust remains challenged in terms of workforce, but this is also an opportunity to think about skills and roles, backed by a robust People Plan to underpin the work needed. Capital investment priorities and requirements will become more challenging in the medium term with reduced capital allocations. However, the Trust is hopeful through the development of a Trust Strategic Estate Plan that, with national support, the Trust can progress the re-development of Trust estates to align with care services strategic ambitions.

The Trust remains in a solid financial position and is fully cognisant of the risks and challenges it faces, which are not dissimilar to the scale of challenge facing the NHS overall. The current robust standing will help to move forward positively to meet these challenges.

1.2.2.6 Our exposure to financial risks

Price risk

The Trust has a relatively low exposure to price risk, although this is becoming more unpredictable. Salaries continue to be the single biggest component of costs and for 2024/25 financial plans reflect the nationally assumed pay award. If a different amount is agreed this will be covered by additional central resource. With regard to non-pay, plans assume a level to the projected rate of increase in the

consumer price index, and volatility beyond this can be managed in-year as the biggest component is fixed in terms of known PFI inflation agreed.

Income assumptions are set through the financial planning framework arrangements for the NHS, as mandated by the Department of Health and Social Care. The majority of income is received on a 'block contract' basis rather than 'pay as you go' and it is therefore highly unlikely that a significant part of our income will change quickly.

Credit risk
This is minimal as the majority of our customers are public sector organisations, in particular NHS organisations.

Liquidity risk
Liquidity risk is felt to be low. This is because operating costs are incurred primarily through legally-binding contracts for services provided to clinical commissioning groups and NHS England, which in turn are financed from money received from Parliament. Assumptions about future income have been revised to take into account the new market conditions.

Cash-flow risk
The main sources of income and expenditure are extremely predictable. The Trust is forecast to retain significant cash and other liquidity resources for the foreseeable future. Cash-flow risk is therefore felt to be low due to the adequate level of cash reserves and the Trust not having sought a working capital loan facility because we have sufficient working capital. The Trust has modified its capital expenditure plans and has a robust approach to investment appraisal including risk issues.

1.2.3 CORPORATE SOCIAL RESPONSIBILITY

1.2.3.1 Human rights

Our Trust respects and abides by all human rights legislation. The human rights principles of fairness, respect, equality, dignity, and autonomy are detailed within our organisational values. They underpin our strategic objectives and our policies and procedures. Minimum standards are set out within our Equality, Diversity and Human Rights Procedure and adherence to these standards and principles is monitored through our governance structure.

1.2.3.2 Sustainability report

1.2.3.2.1 Introduction

In October 2020, the NHS became the world's first health service to commit to reaching carbon net zero, in response to the profound and growing threat to health posed by climate change. This enhanced the previous target set for carbon reduction, and as an organisation we have risen to the challenge.

The Trust has committed to driving sustainability through the launch of its Green Plan in January 2022 and the development of a Sustainability Team comprising of the Head of Sustainability, the Sustainability Project Manager and the Environment and Sustainability Manager.

Two targets are outlined in NHS England's *''Delivering a 'Net Zero' National Health Service''* report:

- The NHS Carbon Footprint: for the emissions we control directly, net zero by 2040.
- The NHS Carbon Footprint Plus: for the emissions we can influence, net zero by 2045.

These targets are monitored through quarterly Greener NHS Returns and the Annual NHS Green Fleet Returns completed by the Trust.

1.2.3.2.2 The Trust's Green Plan

As part of the Greener NHS, all Trusts were required to have a Board approved Green Plan in place by January 2022. Our Green Plan sets out our action plan over the next five years, identifies the benefits of

embedding sustainable practices within the Trust's operations and describes the governance arrangements to keep the plan on track.

A Net Zero Strategy and Green Plan review is currently underway to establish a post-covid baseline year for our Trust carbon footprint for emission scopes 1, 2, and 3. The project will also update the Green Plan to reflect what has been achieved so far, what is required in the lead up to 2040, and how targets can be clearly actionable. Further development will involve stakeholder engagement workshops with staff to understand more clearly how to embed the ambitions of the Green Plan across the Trust.

1.2.3.2.2.1 Our Green Plan Vision

The vision of the Trust is:

- to achieve net zero carbon ahead of schedule and be seen as an exemplar
- to collaborate between organisations to achieve our best potential
- for all staff to feel passionate about helping the Trust to become carbon neutral
- for all staff and service users to feel involved and valued in the process
- to embed environmental commitments as a thread throughout all our business'
- to become carbon neutral and generate our own energy and recycle waste in a sustainable manner
- to reach out to our local partners and work collaboratively together
- to be at the forefront of supporting our communities to be prepared for the future ahead
- to adopt a collaborative approach throughout the organisation in supporting education and therapeutic involvement with our environment, creating informed networks.

1.2.3.2.2.2 Trust Priorities

Our Green Plan (in accordance with the Greener NHS model) focuses on nine themes:

- Workforce & System Leadership
- Sustainable Models of Care
- Digital Transformation
- Travel & Transport
- Estates & Facilities
- Medicines
- Supply Chain & Procurement
- Food & Nutrition
- Adaptation

The requirements under each theme and the Trust's activities are outlined below:

Workforce and System Leadership
This theme sets out our approach to engaging and developing our workforce and system partners in defining and delivering carbon reduction initiatives and broader sustainability goals. It may cover the operation of sustainability committees and working groups; the development of online sustainability training and pledge platforms for staff; and investment in specific staff to support sustainability goals. The Sustainability Team hold quarterly meetings with the Sustainability Steering Group and the Sustainable Travel and Transport Group, as well as attending regular meetings and steering groups across estates and facilities, and clinical and operational teams. The team also regularly attends regional and national groups focused on sustainability, energy, and waste management to share best practice and identify joint working opportunities. As part of a national programme, the Trust is planning to offer access to certification for the Carbon Literacy for Healthcare training course provided by The Carbon Literacy Project, as well as regularly communicating other sustainable training opportunities available to staff. The Trust has also adopted the new Environmental Policy, which is available for staff on Staffnet, that outlines how the Trust will approach environmental management, net zero carbon commitments and the wider sustainability agenda.

Sustainable Models of Care
Embedding net zero principles across all clinical services is critical, through considering carbon reduction opportunities in the way care is delivered. Examples may include: the provision of care closer

to home; default preferences for lower-carbon interventions where they are clinically equivalent; and reducing unwarranted variations in care delivery and outcomes that result in unnecessary increases in carbon emissions.

The changes in working practices, resulting from the Covid-19 pandemic have encouraged the increased use of telemedicine and virtual appointments which have reduced the need for service users to travel and therefore, reduced the subsequent emissions. In collaboration with Thrive by Design, research into the development of a “carbon-aware medical appointment” app has begun, to enable service users to make informed decisions about their sustainable travel options when attending appointments. Regular engagement with clinical environment groups helps to identify opportunities for sustainable care and ideas for green social prescribing using the Trust’s green spaces.

Digital Transformation

Digital transformation seeks to focus on ways to harness existing digital technology and systems to streamline our service delivery and support functions while improving the associated use of resources and reducing carbon emissions. Examples could include a consideration of expanding the use of telemedicine to deliver some care remotely and using digital systems to reduce the use of paper records, printing, and postage.

With the adoption of a hybrid working policy, less staff travel into the office on a full-time basis, with the recent staff travel survey suggesting 35% of staff on average work from home three to five days a week. This has resulted in the majority of meetings being held remotely, and more collaborative working online, reducing the level of travel and transport emissions. The Sustainability Team has also created a Sustainability homepage on the new Staffnet 365 intranet, as a key source for information, project updates, news, and access to training.

Travel and Transport

Interventions to reduce carbon emissions arising from travel and transport can include increasing uptake of active travel and public transport; investing in ultra-low emission and zero-emission vehicles for owned and leased fleets; and maximising efficiencies in the transport of goods and services commissioned by the organisation.

Alongside the existing benefits available to staff such as the Cycle to Work scheme and discounted public transport tickets, a review of the existing cycle storage facilities is underway with improvements and additional facilities planned. The annual staff travel survey identified that increased access to cyclist facilities and more secure cycle parking would encourage members of staff to cycle more, and more reliable, frequent, and improved bus services would encourage use of public transport. In addition, we also have an Electric Vehicle (EV) Charging Policy in development which will help plan the delivery of EV charging points at suitable locations across the Trust.

Estates and Facilities

This focuses on reducing the carbon emissions arising from our buildings, infrastructure, and green spaces including improving energy efficiency and reducing energy usage; decarbonising heating and hot water systems; waste reduction and the circular economy; and sustainable building design and refurbishments.

Heat Decarbonisation Plans have been prepared for several sites to identify the most appropriate solutions for providing heating and hot water without the use of fossil fuels. These plans will also assist long term planning for retrofitting our buildings to be carbon neutral and identifying appropriate locations for installation of renewables. There is continued progress with the waste compliance and improvement programme including provision of new internal bins, development of policies and procedures for each waste stream, improving segregation of wastes, compliance and record management improvements, and a review of the clinical waste service.

We have also received a biodiversity woodland management plan which provides guidance on improving the overall biodiversity and quality of Meanwood Woodland.

Medicines

Identifying opportunities to reduce the carbon emissions related to the organisation’s prescribing and use of medicines and medical products. Areas of focus could include medicines optimisation and reducing waste; responsible capture or disposal of waste medicines; and considering lower carbon alternative medicines.

The Trust has been working to improve the return of medications for appropriate disposal and promotes lower carbon and recycling opportunities. It has been developing networks across the region and sharing knowledge to reduce the use of the most environmentally damaging medicines and identify lower carbon alternatives.

Supply Chain and Procurement

The NHS supply chain accounts for approximately 62% of total carbon emissions and is a clear priority area of focus in every Green Plan, considering how we use our individual or collective purchasing power and decisions to reduce carbon embedded in supply chains. Examples include reducing the use of clinical and non-clinical single-use plastic items; reusing or reprocessing equipment where appropriate; and considering lower carbon alternative supplies, such as recycled paper.

The Sustainability Team works closely with the Procurement Team and the North of England Commercial Procurement Collaborative (NOE CPC) to ensure social value and carbon reduction is considered in our supply chain and tendering processes.

Food and Nutrition

Reducing the carbon emissions from the food we make, process, or serve. Where possible, this may include reducing overall food waste and ensuring the provision of healthier, locally sourced, and seasonal menus high in fruits and vegetables, and low in heavily processed foods.

As part of the waste improvement plant, food waste collections are being introduced at Clifton House, Mill Lodge, and Red Kite View. Food waste will be collected using innovative smart bins which electronically weigh and categorise the different sources of food waste. This will help to meet national guidelines and identify the significant sources of food waste, allowing solutions to be developed to reduce overall waste.

Adaptation

Establishing plans to mitigate the risks or effects of climate change and severe weather conditions on business and functions. This may include plans to mitigate the effects of flooding or heatwaves on the organisation's infrastructure, patients, and staff.

The Trust's existing Heatwave, Flooding and Adverse Weather plans are being enhanced with a Climate Change Risk Assessment (CCRA) which will be developed into a Climate Change Adaptation Plan improving our response planning to extreme weather events and the associated impacts.

1.2.3.2.3 Our Performance

The Trust's performance continues to be impacted by the Covid-19 pandemic by PPE (Personal Protective Equipment) use and disposal, and the Hybrid Working Strategy. Staff are beginning to return to their office bases resulting in increased energy and travel emissions and some energy intensive activities, such as the therapeutic pool, are returning to service.

1.2.3.2.3.1 Energy Use

Total energy use has decreased across the owned & leased estate when compared to the previous year's consumption, electricity has decreased by 0.39% and Gas by 17.04%. This likely reflects the return of staff to office spaces and finding a balance between remote and office-based working. Across the PFI estate electricity consumption has shown a marginal decrease (-1.10%), whilst gas use has increased slightly (+2.97%) when compared to last year.

Mitigation activities reported in the 2022/23 annual report, such as the roll-out of high efficiency lighting (LEDs), solar panels, contract review and management, continue to progress. In support of plans to introduce individual submeters across our estate, the Trust has conducted a trial of sub-metering equipment and automatic meter reading software at Aire Court which proved beneficial to our aims of understanding the energy use of individual services and activities.

In line with national guidance, the Trust did temporarily move away from procuring 100% renewably generated electricity due to escalating costs, however, as of 2023/24 it recommitted to this aim and are now procuring 50% renewably generated electricity. In 2023/24 the Trust also signed up to the new NHS

England and Crown Commercial Services Energy Framework which will see it return to 100% renewably generated electricity from April 2025. The NHS Property Services estate continues to procure 100% renewably generated electricity leased estate use renewable electricity.

Table 1.2B – Electricity and gas consumption

	2020/21	2021/22	2022/23	2023/24
Owned & Leased Sites				
Electricity Consumption (kWh)	1,175,623	1,364,152	1,484,021	1,478,191
Natural Gas Consumption (kWh)	2,967,628	2,835,187	3,683,306	3,055,551
PFI Sites				
Electricity Consumption (kWh)	2,440,765	2,245,777	2,016,814	1,994,633
Natural Gas Consumption (kWh)	4,838,169	5,658,222	5,770,878	5,599,364
NHSPS Sites				
Electricity Consumption (kWh)	402,849	270,976	806,263	548,461
Natural Gas Consumption (kWh)	672,088	449,033	420,552	222,308

** Incomplete data for NHSPS sites*

1.2.3.2.3.2 Waste

Clinical waste volumes are now decreasing, which is evidence of a return to pre-Covid-19 levels and business as usual. A change of contractor for non-clinical wastes highlighted a discrepancy in the weight data received by the Trust, suggesting our recycling volumes have decreased dramatically since 2021/22, which we will investigate further in 2024/25.

The Trust continues to meet and exceed the NHS Clinical Waste Strategy target to achieve a 60/20/20 split for Offensive, Alternative Treatment and Incinerated clinical waste, respectively. As part of our Waste Management Improvement Plan our aim is to further reduce energy intensive waste streams and expand our non-clinical waste streams to increase recycling, recovery, and reuse. A new Waste Management Policy is being finalised which will be aligned with the recently updated Health Technical Memorandum 07-01: Safe & Sustainable Management of Healthcare Waste and the NHS Clinical Waste Strategy.

Table 1.2C – Waste Volumes

All Sites	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Incineration Clinical Waste (tonnes)	8.00	9.55	15.16	4.65
Alternative Treatment Clinical Waste (tonnes)	70.63	22.23	31.34	15.91
Energy from Waste Offensive Waste (tonnes)	119.43	205.97	110.19	122.84
Owned & Leased & NHSPS Sites	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Landfill Waste (tonnes)	2.86	2.80	1.18	0.20
Energy From Waste (tonnes)	36.71	36.12	54.56	65.87
Anaerobic Digestion Food Waste (tonnes)	0.0	0.0	0.25	2.37
Recycled Waste (tonnes)	176.46	168.23	90.61	29.84
PFI Sites	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Landfill Waste (tonnes)	*	*	*	*
Energy From Waste (tonnes)	*	*	*	*
Anaerobic Digestion Food Waste (tonnes)	*	*	*	*
Recycled Waste (tonnes)	*	*	*	*

** No data provided by PFI provider*

1.2.3.2.3.3 CO_2 Emissions

Emissions from gas use have risen slightly in line with gas consumption.

Table 1.2D – CO_2 Emissions

	2020/21	2021/22	2022/23	2023/24
CO_2 from Electricity (tonnes)	896.53	953	1050	905
CO_2 from Gas (tonnes)	1876	1575	1492	1624
Total	2,773	2,528	2,543	2,529

The Trust's CO_2 emissions are also affected by those under scope 3, including:

- waste volumes
- travel
- the goods we purchase and use.

A detailed carbon footprint is being developed covering all Green Plan themes including medicines, care pathways, food and nutrition and digital transformation.

1.2.3.2.3.4 Taskforce for Climate-related Financial Disclosures (TCFD)

NHS England's NHS Foundation Trust Annual Reporting Manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD-aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures, as interpreted and adapted for the public sector by the HM Treasury TCFD-aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England.

The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24. These disclosures are provided below with appropriate cross referencing to relevant information elsewhere in the annual report and accounts and in other external publications.

The Board has oversight of climate-related issues and progress on sustainability via quarterly updates on the Trust's organisational priorities which include key targets from the Green Plan. The Trust also has a newly appointed Non-Executive Director Champion for sustainability. Issues and opportunities are discussed by the Sustainability Steering Group which reports to the Finance and Performance Committee. The Sustainability Steering Group includes representatives from Procurement, Finance, Communications, and Estates and Facilities, alongside the Sustainability Team.

The Green Plan is the formal organisational plan which outlines the targets and actions agreed to reduce the Trust's impact on climate change. This plan is a board approved document and covers a three-year period (2022 – 2025). At the time of writing this report, the Green Plan is being refreshed to cover the next three-year period (2025 – 2028). This will include the Trust's baseline Carbon Footprint together with measurable actions across all priority areas and identification of investment and disinvestment opportunities, specifically for the Trust estate. Following the Green Plan update, the Board will be able to monitor progress against the Green Plan through quarterly updates on newly agreed KPIs and the Sustainability Annual Report.

The Board includes two sustainability champions, responsible for managing and monitoring climate related issues, these are Katy Wilburn, Non-Executive Director, and Dawn Hanwell, Chief Financial Officer. The Sustainability Steering Group acts as the governing committee and reports to the Finance and Performance Committee, which then reports to the Board of Directors. Members of the Sustainability Team attend the estates and facilities operational meetings, where sustainability is a standing agenda item. It has been concluded that the governance structure needs to be improved and expanded to ensure that sustainability and climate-related issues are discussed as standing agenda items at all relevant executive led groups and committees. This action will be completed in line with the update to the Green Plan.

1.2.3.2.3.5 Conclusion

The Sustainability Team continue to develop strategic plans for improving the environmental impacts of the Trust, increasing sustainable behaviours and practices, and reducing carbon emissions. Improvements to waste management, energy efficiency, active travel facilities and engagement with staff are planned for 2024/25.

1.2.4 ANTI-BRIBERY CULTURE

We have a zero-tolerance approach to bribery and the Board has in place an Anti-Bribery and Fraud Policy which is available to staff on Staffnet. Staff are reminded of their responsibilities under the procedure and how to access this on a regular basis. Counter-fraud services are provided by NHS Audit Yorkshire who carry out proactive and, where necessary, reactive work in relation to bribery. The Local Counter Fraud Specialist makes a report to each meeting of the Audit Committee to provide an update on progress with their work. In 2023/24 there were no instances of bribery identified within the Trust.

1.2.5 HEALTH INEQUALITIES

The Board of Directors has agreed three key areas of focus for the Trust's work which are:

- **Access** – ensuring that we do not accidentally exclude people from our services and that we provide access that suits the needs of individuals and communities across our footprint (including relatable, culturally competent in-reach and appropriate adaptations).
- **Experience** – ensuring that people's experience of our services, care, treatment, and support is not affected by any characteristic and purposefully addressing the inequity we know already exists in Mental Health and Learning Disability services and in their delivery.
- Improving, and advocating for, the **physical health** of people with mental ill health and/or learning disabilities.

In line with these priorities, we have established a set of health inequality priorities for each of our services. Additionally, we have continued to focus on the areas identified by NHS England requirements on health inequalities. For LYPFT this includes:

Core20plus5 standard for ensuring that people with a serious and enduring Mental illness have an annual health check
We are focused on improving the physical health of our service users as part of our strategic ambition to ensure that we support (and deliver) access to physical health care for those most at risk of poor health and significant health inequity due to their mental health issues. Specifically, we employ physical health professionals to drive this ambition but also oversee the delivery of annual health checks whilst people are in our care. This is part of, but not the whole of our work. Additionally, as an organisation working in partnership in Leeds and the region, we influence and support this work across the health and care system. The Board monitors our performance against this standard as a matter of routine and have actively supported recovery as part of restoring our service offer post Covid-19.

In terms of other Core20plus5 standards, specifically the work we are doing on health checks, we anticipate would enable better and earlier identification of chronic obstructive pulmonary disease and Hypertension. The support we offer to people in our care who require maternity care will be an area of focus in the near future, alongside how we better support people to identify and access the early identification of cancer.

Protect the most vulnerable from Covid-19
Building on the success of our vaccination delivery programme commenced in January 2021, we have embedded our approach and delivery model into business as usual. This means that we can support people with serious mental illness and/or learning disabilities to access the Covid-19 vaccine, and flu vaccine. Specifically, we aim to encourage and facilitate uptake and protection of vulnerable people. We focus on the direct delivery of the vaccine across inpatient wards and reach service users with serious mental illness in our community services.

Restoring services inclusively

As part of our recovery plans each of our services identified a set of "addressing health inequalities" priorities, informed by data, intelligence and learning through Covid-19. Steered by the leadership teams in each of our services, these priorities identify specific gaps in access, inclusion, and experience in the communities of people served by these specialities. Progress is monitored by our Deputy Director of Operations and is now enhanced by the appointment of Head of Health Equity and a shared Public Health Consultant role in LYPFT.

We have continued to strengthen our work on inclusion through the development of Inclusion Lead posts in our services. Our Clinical Services Inclusion Lead reports that services including Perinatal Mental Health, Community, Crisis, and Eating Disorder services significantly benefit from having dedicated resource working in their teams specifically to ensure that our inclusion ambitions are achieved. There has been significant progress resulting in schemes and campaigns which proactively reach into communities of people who are under-represented in our services.

Mitigating against digital exclusion

Building on work started during the Covid-19 pandemic, our partnership with Thrive by Design (a digital innovation and improvement collective hosted by the Trust) has enabled us to explore how the use of digital solutions enables or excludes people from accessing care and treatment. The outputs from this work inform our operating models and enable us to focus on inclusion for everyone who may otherwise be excluded. Further restoration of services over the last year has enabled more evaluation of the effectiveness of digitalisation of clinical work and intervention in mental health. Service offers are adapting using outcome measures as a means of understanding where we are supporting people effectively – good examples of this include our Gambling Service. Ensuring that this way of work does not exclude is to be measured as part of our development of a suite of inequity measures over the coming months.

Thrive by Design has been commissioned to be part of the Digital Health Inequality Pioneers project which will focus on supporting Integrated Care Systems across the country to take an Inclusive Digital Transformation approach, co-designing services for everyone not just the majority.

Collaborating locally in planning and delivering action

We are members of the Leeds Tackling Health Inequalities Group which is central to the ICB and Health and Wellbeing Board. The Tackling Health Inequalities Toolkit developed through this group has been actively used as part of our service delivery and development programme. The principles of this are now embedded in our Care Services Strategic Plan. The health inequalities priorities derived through the Mental Health Strategy are overseen and driven through the ICB Mental Health Care Delivery Board of which we are key members (with our Medical Director as Chair). We are lucky to work with the Synergi Collaborative who lead this work on behalf of the Leeds Mental Health Strategy implementation and are seeing the results of the work they are leading translate into our local practice in LYPFT.

Our Care Services Strategic Plan sets out our ambition for mental health, learning disability and neurodiverse services over the next 10 years and the objectives and priorities , including priorities to tackle health inequalities, for the next five years which will help deliver that ambition. The Plan was co-produced through extensive engagement with our staff, service users, carers, stakeholders and our partners, and in taking account of their views we can ensure we plan and deliver our services to address the difficulties, disadvantages and health inequalities some of our service users experience.

Strengthening leadership and accountability

In spring 2022 the Chief Operating Officer took over as Executive Lead for Health Inequalities. A focused steering group was established (as previously this work had been combined with the workforce equality, diversity, and inclusion agenda) which continues to develop our thinking and deliver on our priority areas of work. We have strengthened our expert team with the appointment of a Health Equity Lead and have appointed a Public Health Consultant as part of a Leeds provider collaborative with partner organisations. We also benefit from the expertise of our West Yorkshire Mental Health, Learning Disabilities and Autism Public Health Consultant who works closely with us.

The Trust recognises its vital role as a service provider and a system partner in improving health inequalities for the populations we serve. Over the coming months, the monitoring requirements outlined within NHS England's Statement on Information on Health Inequalities will be integrated into a new trustwide measurement framework on public health and health inequalities. It is anticipated that the

framework will include the prescribed indicators within NHS England's statement alongside others to reflect the ambitions of the Trusts health inequalities strategy, which is currently under development.

1.2.6 CUSTOMER SATISFACTION SCORES

1.2.6.1 Trustwide Feedback measure

Have Your Say (HYS) is our trustwide feedback measure. It was co-produced with lived experience partners and staff members and includes the Friends and Family Test (FFT) question 'What was your overall experience of our services?'. Have Your Say enables people (both service users and carers) to give us their feedback anonymously, about the care they have been provided with, at any point in their care journey. The survey can be completed via postcards on our inpatient wards, an online survey, or through a QR code which can be accessed using a mobile phone or tablet. There is also an identified telephone number and an email address, plus a video which has been made which interprets the questions into British Sign Language. Accessibility to completing the measure is improving year on year and the focus for 2023/24 has been establishing whether the HYS questions can be sent out to service users and carers via text.

The table below shows the number of people who have provided feedback over the past year and shows in percentages whether people said their overall experience of our services was positive, negative or people said it was OK or didn't know.

Table 1.2E – Feedback from Have Your Say in 2023/24

	Numbers of people who provided feedback	Positive rating of overall experience of care	OK/Don't know rating of overall experience of care	Negative rating of overall experience of care
Apr 23	72	90%	6%	4%
May 23	142	88%	8%	4%
June 23	193	84%	6%	10%
July 23	177	88%	5%	7%
Aug 23	146	87%	5%	8%
Sep 23	159	77%	7%	17%
Oct 23	141	93%	5%	2%
Nov 23	198	87%	9%	4%
Dec 23	193	86%	9%	5%
Jan 24	165	86%	9%	5%
Feb 24	161	92%	3%	6%
Mar 24	135	87%	7%	7%

Teams and services receive feedback which is relevant specifically to them and are responsible for acting upon the feedback they receive. The Patient Experience Team is available to provide support to do this.

1.2.6.2 Community Mental Health Services Survey – 2023

Each year, the Trust takes part in a mandatory survey led by the Care Quality Commission (CQC) to ask our service users for their views about the support and care they receive from our Community Mental Health Teams. In 2023/24, 268 people completed the survey, providing a response rate of 22%, which was slightly above the response rate compared with all the other organisations (20%). The key findings of the survey are outlined below.

Things to celebrate – Questions (Q) where we received our highest scores:

- **Q21.3 -** People said that the side effects of their medication had been discussed with them.
- **Q21.4** - People said it had been explained to them what would happen if they stopped taking their medication.

- **Q22** - People said that in the last 12 months, they had been asked how they were getting on with their medication.
- **Q33** - People reported that their family, or someone else close to them, had been involved as much as they would have liked.
- **Q32.1** - People reported that in the past 12 months they had been provided with advice and support to join a group or activity to take part in (e.g. art, sport etc).

Areas we can improve on – Questions to which we received our lowest scores;

- **Q29** - Thinking about the last time you contacted your identified staff member/team, how do you feel about the length of time it took to get through to them?
- **Q28** - Thinking about the last time you contacted your identified staff member/team, did you get the help you needed?
- **Q30** - Did the NHS mental health team give your family or carer support whilst you were in crisis?
- **Q32** - In the last 12 months, did your NHS mental health team give you any help or advice with finding or keeping in work
- **Q40** - Aside from completing this survey, in the last 12 months, have you been asked by NHS mental health services to give your views on the quality of your care?

Following the publication of the 2023 Community Mental Health Services Survey Management Report, the Patient Experience Team will work with key representatives from our community mental health teams to draw up an action plan, focusing on areas to celebrate where we scored highest and also to identify areas which need improving on, in which we received our lowest scores.

1.2.7 EMERGENCY PREPAREDNESS RESILIENCE AND RESPONSE REPORT FOR 2023/24 STATEMENT OF READINESS AND READINESS ACTIVITIES

1.2.7.1 Introduction

The Trust, as an NHS funded organisation, is required to comply with NHS England's Core Standards for emergency preparedness resilience and response (EPRR). One of these standards requires the organisation to publicly state its readiness and preparedness activities in annual reports within the organisation's own regulatory reporting requirements. This section meets this requirement.

1.2.7.2 Reporting for 2023/24

1.2.7.2.1 2023 NHS England EPRR Core Standards

The Trust achieved 26% compliance with core standards in 2023. This is classed as non-compliant. This was against a radically different assessment regime with new compliance criteria and based on submission of evidence against each of the 58 relevant standards by NHS England staff. Overall, the Trust's position was:

Table 1.2F – Compliance with NHS England EPRR Core Standards 2023

Category	Compliant	Partially Compliant	Non-compliant
NHS England assessment	15	42	1

To place this into context, all organisations in the Yorkshire and Humber area were assessed as non-compliant. A detailed action plan has been developed to improve the Trust's compliance in areas identified as non-compliant and partially compliant. The Trust's EPRR Team is working with colleagues in the West Yorkshire Integrated Care Board and with all other mental health Trusts in the Yorkshire and Humber area to share best practice and develop improved EPRR arrangements to improve scores across the area.

1.2.7.2.2 Statement of readiness

The Trust has increased its EPRR resource in 2024 and staff are engaged in work to improve EPRR arrangements across all domains of NHS England's EPRR Core Standards. The Trust is confident it can meet its responsibilities regarding EPRR in 2024/25.

1.2.7.2 Overview of readiness activities in 2023/24

In response to the 2023 EPRR Core Standards, the EPRR team has:

- Redesigned the Business Continuity process making it accord more closely with the NHS England toolkit.
- Redesigned the approach to EPRR risk management.
- Made progress in reviewing areas of Chemical, Biological, Radiological and Nuclear response to include lessons learned from 2023's live exercise as well as the 2023 NHS EPRR Core Standards comments.
- Begun redrafting identified plans to include recommendations from the 2023 NHS EPRR Core Standards comments.
- Begun identifying the new training requirements for all staff who may manage an emergency incident at the Trust.
- Developed a new exercise and testing process to ensure arrangements for response to an incident are effective or lessons for improvement are identified and actioned.

CONFIRMATION FROM THE CHIEF EXECUTIVE

As Chief Executive I confirm that the information in this Performance Report is accurate to the best of my knowledge and that I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed Date: 20 June 2024

Dr Sara Munro
Chief Executive

SECTION 2.1 – THE ACCOUNTABILITY REPORT (Directors' Report)

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

The directors consider that to the best of their knowledge and belief they consider the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for service users, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

2.1.1 MEMBERS OF THE BOARD OF DIRECTORS

At the end of 2023/24 the Board of Directors was made up of six non-executive directors (including the Chair of the Trust) and seven executive directors (including the Chief Executive). The table below lists members of the Board of Directors on 31 March 2024. It shows the name of the Chair of the Trust and Deputy Chair; the Senior Independent Director; the Chief Executive and the Deputy Chief Executive.

Table 2.1A – Members of the Board of Directors on 31 March 2024

NON-EXECUTIVE TEAM	
Merran McRae	Chair of the Trust
Zoe Burns-Shore	Non-executive Director
Dr Frances Healey	Non-executive Director
Cleveland Henry	Non-executive Director (Senior Independent Director)
Kaneez Khan	Non-executive Director
Katy Wilburn	Non-executive Director
Martin Wright	Non-executive Director (Deputy Chair of the Trust)
EXECUTIVE TEAM	
Dr Sara Munro	Chief Executive
Joanna Forster Adams	Chief Operating Officer
Dawn Hanwell	Chief Financial Officer (Deputy Chief Executive)
Darren Skinner	Director of People and Organisational Development
Dr Chris Hosker	Medical Director
Nichola Sanderson	Director of Nursing and Professions

*Nichola Sanderson was appointed as a Director of Nursing and Professions on 1 June 2023.

**Katy Wilburn was appointed as a Non-executive Director on 26 June 2023.

***Zoe Burns-Shore was appointed as a Non-executive Director on 15 November 2023.

Non-executive directors (NEDs), including the Chair of the Trust, are appointed by the Council of Governors. Where there is a vacancy this would be filled through a full open advertisement process. A non-executive director is appointed for an initial period of up to three years, subject to satisfactory appraisal by the Chair of the Trust. Where there is an incumbent NED who is eligible for re-appointment by virtue of the number of years they have served and where they wish to be considered for re-appointment, this would be done based on a satisfactory appraisal and approval by the Council of Governors. A non-executive director may be re-appointed for a second term of up to three years. Should it be necessary to remove either the Chair of the Trust or any of the other non-executive directors this would be done by the Council of Governors. A decision to remove the Chair of the Trust or another non-executive director must be done in accordance with our constitution and only if three quarters of the total number of governors appointed or elected at the time, vote to remove the individual.

The Board of Directors considers that it is balanced, complete and appropriate and this can be seen in the biographical details of Board members as set out in Part A section 3.3 of this Annual Report. The

non-executive directors are considered to be independent in both judgement and character, and the Board has confirmed there are no relationships or circumstances which are likely to affect, or could appear to affect, judgment in this respect. It should be noted that Martin Wright has served on the Trust board for more than six years from the date of his first appointment. This was agreed by the Council of Governors in 2023. In making this decision, the Council recognised the need to have stability on the Board at a time of transition, following a number of changes to the NED team and a newly appointed Chair of the Trust. It acknowledged the need to appoint External Auditors in 2024/25, which the Chair of the Audit Committee would be involved in, and also recognised the knowledge Martin had of the Trust's complex PFI arrangements which are a period of significant transition.

It is also reported that Merran McRae, the Chair of the Trust, had no other significant commitments during the year 2023/24 which affected her ability to carry out her duties to the full, and she has been able to allow sufficient time to undertake these duties.

Further information about the Board of Directors can be found in Part A sections 2.2 and 3 of this Annual Report.

2.1.2 REGISTER OF DIRECTORS' INTERESTS

Under the provisions of the constitution, we are required to have a register of interests to formally record any declarations of interests of members of the Board of Directors. The register includes details of all directorships and other relevant material interests, which both executive and non-executive directors have declared.

On appointment and annually thereafter, members of the Board of Directors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interests and those arising from their membership of the Board of Directors. None of the interests declared conflict with their role as a director.

Members of the Board of Directors are also required to declare any conflict or pecuniary interests that arise in the course of conducting Trust business. An opportunity to do this is provided at every internal meeting they attend.

The register of interests is maintained by the Associate Director for Corporate Governance and is available for inspection on the Trust's website. The Associate Director for Corporate Governance can be contacted by emailing clare.edwards34@nhs.net.

2.1.3 DISCLOSURE FOR THE PAYMENT OF CREDITORS

We adopt the Better Payment Practice Code, which requires payment of all our undisputed invoices by the due date or within 30 days of receipt of goods. Further information can be found in note 9 of the Annual Accounts in Part B of this Annual Report. There has also been no interest paid under the Late Payment of Commercial Debts (Interest) Act 1998.

2.1.4 INCOME DISCLOSURE

The Trust is required under Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) to ensure that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement in 2023/24. The Board of Directors, therefore, declares that there has been no material income other than from the provision of goods and services for the purposes of the health service in England. Any benefit is re-invested in the provision of those services.

2.1.5 COST ALLOCATION AND CHARGING

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

2.1.6 POLITICAL AND CHARITABLE DONATIONS

The Board reports that it has not made any political or charitable donations and that it is not the policy of the Leeds and York Partnership NHS Foundation Trust to make any such payments.

2.1.7 NHS ENGLAND'S WELL-LED FRAMEWORK

The Board can report there are no material inconsistencies between the Annual Governance Statement and the information within the Annual Report. It can also be reported that the Trust was rated overall 'good' in the last CQC inspection with the well-led domain also being rated as 'good'.

More information on the arrangements in place to ensure services are 'well-led' can be found in the Annual Governance Statement in Section 2.7 of the Annual Report.

The Trust is registered with the CQC and is fully compliant with the registration requirements. Compliance with the CQC fundamental standards of quality and safety are one of the elements of the organisation's risk management process.

Following a CQC inspection we will take a Trustwide view of the themes and have a holistic approach to resolving any issues and reducing the risk of non-conformity across the Trust. We ensure that the programme of activities and projects are working together and that benefits and improvements are brought to all core services.

Quality and Safety Peer Reviews act as an internal assessment against regulatory compliance and standards. A standardised tool kit has been developed aligned to the CQC's quality statements which are used to guide and direct their inspections of care services. Through the use of the standardised framework, areas for improvement, risks to service delivery and areas of good practice are identified. Experience from within the organisation is drawn upon to identify a team to effectively carryout the quality and safety review. Any must do or should do actions from the latest CQC inspection or Mental Health Act Inspection form part of the review and evidence is gathered to provide assurance that actions have been addressed and embedded.

Recommendations and actions are monitored through local governance systems to ensure progress and oversight. A system is in place to ensure that any recommendations and opportunities identified for learning, both at a service and organisational level, are shared through the governance structure. Any areas of concern are escalated through the Unified Clinical Governance Group.

SECTION 2.2 – ACCOUNTABILITY REPORT (Remuneration Report)

2.2.1 INTRODUCTION

In company law, senior managers are defined as 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the foundation trust'. For the purpose of this Remuneration Report, the description 'senior managers' refers to the executive and non-executive directors holding positions on the Board of Directors.

This Remuneration Report contains details of senior managers' remuneration and pensions. It also sets out further information about the appointment of those senior managers (where these have occurred during 2023/24) as required by NHS England's Code of Governance for NHS Provider Trusts. The narrative and figures in this report relate to those individuals who have held office as a senior manager during 2023/24.

The information in sections 2.2.2 to 2.2.5 below is not subject to audit by our external auditors, KPMG; however, they will read the narrative to ensure it is consistent with their knowledge of our Trust.

2.2.2 ANNUAL STATEMENT ON REMUNERATION

The information provided in Sections 2.2.2 to 2.2.4 forms the annual report from the chair of the committees that are responsible for the remuneration of the executive and non-executive directors. The Chair of these committees is the Chair of the Trust.

Remuneration for senior managers is determined by two sub-committees: the Remuneration Committee (a sub-committee of the Board of Directors made up of all the non-executive directors), which is responsible for the remuneration for the executive directors; and the Appointments and Remuneration Committee (a sub-committee of the Council of Governors made up of a majority of governors), which is responsible for the remuneration for the non-executive directors.

The policy of the two sub-committees is that salaries for executive directors and the remuneration for non-executive directors will be benchmarked periodically or when there is a fundamental change in the level of payment. Where any level is set over and above the Civil Service Threshold of £150,000 per annum, consideration will be made to ensure this is set at a reasonable level. This will include taking account of any guidance received from NHS England in relation to Very Senior Managers (VSM) salaries including any recommendations on pay uplift; the level of complexity in relation to the role and the landscape in which the Trust is operating; any additional responsibility outside the organisation for example leading at a regional or national level; and any effect of market forces that might be pertinent to the role.

2.2.2.1 Remuneration Committee – executive directors' remuneration

With regard to executive directors, the overarching policy of the Remuneration Committee is set out in the Trust's VSM pay policy. In applying the policy the committee will: use benchmarked figures to ensure they are in line with other similar organisations; ensure equity within the executive team pay structure, taking account of levels of experience; and reference to NHS England guidance on Very Senior Managers (VSM) salaries. A further consideration when determining the overall level of remuneration is the differential between the amount paid to an executive director and their direct reports to ensure the overall level of responsibility for executive directors is recognised. When awarding percentage pay uplifts ('cost of living awards') the committee is always mindful of the guidance from NHS England which will be used as a benchmark. There is no performance-related pay in any director's current contract of employment. Where a salary requires review, a benchmarking exercise may be requested to make comparison against other similar NHS organisations and similar posts.

Further information about the work of the Remuneration Committee during 2023/24 can be found in section 2.2.4.2 below.

2.2.2.2 Appointments and Remuneration Committee – non-executive directors' remuneration

The overarching policy for the remuneration of the non-executive directors (NEDs) is to award levels in line with other comparable NHS foundation trusts, using benchmarked figures and taking account of any guidance issued by NHS England. When awarding annual percentage uplifts ('cost of living' awards) to non-executive directors the committee will be mindful of the amount awarded to executive directors and to staff on Agenda for Change (AfC) pay bandings.

Further information about the work of the Appointments and Remuneration Committee during 2023/24 can be found in section 2.2.4.3 below.

2.2.3 SENIOR MANAGERS' REMUNERATION POLICY

2.2.3.1 Future policy tables

This section describes the policy narrative relating to the components of the remuneration packages for executive and non-executive directors. Each of the components detailed in these tables supports the Trust's Strategic Objective 2: we provide a rewarding and supportive place to work (putting in place a benchmarked remuneration package to fairly remunerate our Board members; recognising the liability and responsibility they carry; attracting an appropriately skilled and qualified senior team to lead the organisation).

The future policy tables 2.2A and 2.2B refer to the reporting and performance period 1 April 2023 to 31 March 2024.

Table 2.2A – Remuneration policy for executive directors

Element	Policy
Salary	The overarching policy of the Remuneration Committee is to: use benchmarked figures to ensure they are in line with other similar organisations; ensure equity within the executive team pay structure, taking account of levels of experience; and reference to the NHS England guidance on VSM salaries. A further consideration when determining the overall level of remuneration is the differential between the amount paid to an executive director and their direct reports. There are no annual increments associated with executive directors' salaries. A time-limited additional payment of up to 10% of salary may be payable for undertaking the Senior Responsible Officer role within the Integrated Care System.
Taxable benefits	In the main this will be any mileage rates paid which are over and above the HMRC threshold or any other benefit in kind applicable at the time of remuneration.
Annual performance related bonuses	The Trust does not pay any annual performance-related bonuses to executive directors. (Section 2.2.3.2 below sets out the process for performance appraisals (not linked to pay)).
Long-term performance-related benefits	The Trust does not pay long-term performance related bonuses to executive directors. (Section 2.2.3.2 below sets out the process for performance appraisals (not linked to pay)).
Pension-related benefits	Pension rights for executive directors are determined by the NHS Pension Scheme, and the maximum payable (by the employee and the employer) is determined by the NHS Pension Scheme.
Percentage uplift (cost of living increase)	The Remuneration Committee will decide if the executive directors are to be awarded a percentage uplift ('cost of living' increase) for each financial year and what level this will be. In doing this the committee is mindful of the national advisory or mandatory rate for VSM issued by NHS England.

Element	Policy
Other remuneration (e.g. relocation expenses)	Any other expenses paid to executive directors would be paid in accordance with the relevant Trust policy. There are no items of other expenditure which are applicable only to executive directors. Relocation expenses are available to new executive directors under the Trust's Relocation Procedure

It should be noted that the executive directors' contract allows the Trust to recover any monies owed at any time via deductions from salary.

Table 2.2B – Remuneration policy for non-executive directors

Element	Policy
Fee payable	The overarching policy for the remuneration of the non-executive directors (NEDs) is to award levels in line with other comparable NHS foundation trusts using benchmarked figures. The Council of Governors will also keep under review any guidance issued by NHS England and take this into consideration when setting levels of remuneration. The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee and ratified by the Council of Governors. There are no annual increments associated with non-executive directors' remuneration.
Additional fees for any other duties	The remuneration for the Chair of the Trust recognises the specialist role and extra time commitment over and above that of the other NEDs. The Chair of the Audit Committee is also remunerated differently in recognition of the specific skills and responsibility this role requires. All other NEDs are remunerated equally; however, for those NEDs who chair a Board sub-committee (excluding the Audit Committee, which attracts a separate level of remuneration) there is an honorarium of £1,000 per annum (paid pro-rata). This honorarium is in recognition of the added workload and responsibility that comes with chairing a Board sub-committee. The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee and ratified by the Council of Governors.
Percentage uplift (cost of living increase)	The Appointments and Remuneration Committee will decide if the NEDs will be awarded a percentage uplift ('cost of living' increase) and what level this will be. In doing this the committee is mindful of the uplift awarded to staff on AfC pay bandings and any percentage uplifts awarded to the executive directors.
Travel	Travel costs will be reimbursed through the payroll and will be submitted on a completed travel claim form supported by receipts. Costs incurred will be reimbursed on a like-for-like basis with mileage being paid at a fixed pence per mile.
Pension contributions	No pension deductions are made from non-executive directors' remuneration and no contribution is made to a pension fund in respect of any non-executive director.
Other remuneration	Any other expenses paid to non-executive directors would be paid in accordance with the relevant Trust policy. There are no items of other expenditure which are applicable only to non-executive directors.

There have been no new components of the remuneration package for either the executive directors or non-executive directors since the last remuneration report.

It should be noted that employees of the Trust are paid on AfC bandings with an incremental scale; executive and non-executive directors are paid on a fixed salary which has no element of incremental scale. The level of salary paid to those on AfC is determined nationally, whereas the remuneration of the executive and non-executive directors are determined by the Remuneration Committee and the Appointments and Remuneration Committee respectively, informed by appropriate policy and benchmarking data.

The Trust has not consulted with staff when setting directors' or VSM remuneration policy with the exception of the policy for non-executive directors where staff governors have been involved in determining their remuneration.

2.2.3.2 Performance and appraisals

2.2.3.2.1 Overview

Performance and appraisals are not linked to remuneration and there is no element of performance related pay in senior managers' salaries or remuneration packages.

The Board of Directors and its sub-committees are committed to continuous improvement and it undertakes an evaluation of their performance. We also have in place an evaluation process for members of the Board with information from this being fed into the appraisals of individual members.

The appraisal of individual Board members identifies strengths and good performance, and also areas for development. The appraisal looks at an individual's development needs, which informs tailored development plans and objectives.

All executive and non-executive directors undertake compulsory training. Furthermore, regular Board of Directors' workshop sessions take place with some being used specifically for Board development. In addition to any internal development or training sessions non-executive directors and executive directors will also attend external training and development courses as required. A dedicated Board Development Programme will be commissioned in 2024/25 to support further development and training based on the findings of a gap analysis undertaken in 2023/24.

The processes described in sections 2.2.3.2.2 and 2.2.3.2.3 below refer to the performance and appraisals of the executive and non-executive directors for the period 1 April 2023 to 31 March 2024.

2.2.3.2.2 Executive Directors

Objectives are set for each executive director in conjunction with the Chief Executive (the Chief Executive's objectives are set in discussion with the Chair of the Trust). These objectives are monitored through the appraisal process. The Chair of the Trust carries out the appraisal of the Chief Executive against agreed objectives, and appraisals for the other executive directors are carried out by the Chief Executive against their agreed objectives. As required, the Chair of the Trust and the non-executive directors will contribute to the appraisal of each executive director in regard to their performance as a member of the unitary Board. This will be fed back to the Chief Executive for inclusion in their overall appraisal.

The Remuneration Committee has been assured that a process for appraisal is in place and has been completed for each executive director including the Chief Executive. Any areas of concern about the performance of any of the executive directors will be reported to the committee with an assurance on the proposed remedial action.

2.2.3.2.3 Non-executive Directors

Objectives are set for each of the non-executive directors in conjunction with the Chair of the Trust (the Chair's objectives are set in discussion with the Senior Independent Director and Lead Governor). Performance against these is monitored through one-to-one meetings and annual appraisals.

The NEDs have their objectives agreed with the Chair in conjunction with the Lead Governor. Annual appraisals of the non-executive directors are carried out by the Chair of the Trust with the Lead Governor in attendance. The Senior Independent Director conducts the annual appraisal of the Chair of the Trust again in conjunction with the Lead Governor. Where required, governors and members of the Board are invited to provide feedback on each of the NEDs and the Chair which informs the appraisal discussion. The Council of Governors has received assurance that a process is in place and has been completed effectively.

Any areas of concern about the performance of any non-executive director will be reported to the Appointments and Remuneration Committee along with an assurance on the proposed remedial action and a summary report would be made to the Council of Governors.

2.2.3.3 Policy on payment for loss of office and notice periods

All contracts for executive directors are permanent and therefore open-ended. The period of notice for each executive director is set out in their contract and is normally three months. Non-executive directors do not have a contract of employment; they have a letter of appointment. Non-executive directors are not subject to employment law or regulations and as such do not have a formal period of notice.

The executive directors' contract contains details of the grounds on which a director's contract may be terminated. The contract also contains information about the circumstances under which PILON (payment in lieu of notice) may be paid.

Payment for loss of office or in lieu of notice does not apply to non-executive directors as they are appointed not employed.

2.2.3.4 Policy on diversity and inclusion

The Trust believes in fairness and equality and above all values diversity and inclusion in all aspects of work, this includes within our Board. The Nominations Committee, which appoints the executive directors and the Appointments and Remuneration Committee, which appoints our non-executive directors will, with each new appointment to the Board of Directors, consider matters of diversity and equity. The committees will act within the requirements of the Trust's diversity and inclusion policies in order to meet the Trust's overall aim of providing outstanding mental health and learning disability services as an employer of choice. Whilst maintaining the diversity of the Board is one of our main considerations in any appointment, ensuring that the right person is in post is important so the Board continues to be fit for purpose.

The Trust's policies and processes take full account of the requirements of the Equality Act 2010 and the associated public sector equality duties. This includes specific requirements to make reasonable adjustments to systems or processes for a person with a disability. Details are set out in our Equality, Diversity and Human Rights policy.

We have in place systems for monitoring equality progress and compliance against our People Plan 2021 - 2024 through our workforce governance structure including the Workforce Committee, which also includes reporting to the Board on performance against our target measures and the publication of our gender pay gap, Workforce Race and Workforce Disability Standard data and annual actions. Details on our progress can be found on our website using the following link https://www.leedsandyorkpft.nhs.uk/about-us/equality-and-diversity/.

Indicator nine of the NHS Workforce, Race, Equality, Standard is for Board representation only. Total Board member representation by ethnicity is 15.4% (11 Board members are White and 2 Board members are from ethnic minorities) and overall workforce is 23.1%, therefore a difference in representation is 7.7%.

Table 2.2C – Ethnic diversity of the Directors against senior managers/direct reports and employees

Group	Ethnic minorities	White	Not Stated
Directors	7.69%	61.54%	30.77%
Senior managers/direct reports (Band 8 and above)	22.54%	73.39%	4.07%
Employees	23.33%	73.89%	2.78%
Total	**23.14%**	**73.75%**	**3.11%**

More information on the Trust's policy on diversity and inclusion can be found in Section 2.3.20.

2.2.4 ANNUAL REPORT ON REMUNERATION

This section includes a description of the work of the committees that are involved in the appointment of both the executive and non-executive directors, and which determines their respective salaries and remuneration. These are:

- The Remuneration Committee (a sub-committee of the Board of Directors) which is made up of all the non-executive directors and is chaired by the Chair of the Trust
- The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) which is made up of a majority of governors and is chaired by the Chair of the Trust (unless the Chair is conflicted in any agenda item in which case the committee would be chaired by the Deputy Chair of the Trust or Lead Governor as appropriate)
- The Nominations Committee (a sub-committee of the Board of Directors) which is made up of a mix of executive and non-executive directors (NEDs) and is chaired by the Chair of the Trust.

2.2.4.1 Executive directors' period of employment as Board members

Details of the start date for the Chief Executive and other members of the Executive Team who have served on the Board during 2023/24 are set out in the table below.

Table 2.2D – Executive directors who have served during 2023/24

Name	Title	Date appointment effective from	Date left the Board position
Dr Sara Munro	Chief Executive	5 September 2016	N/A
Joanna Forster Adams	Chief Operating Officer	3 July 2017	N/A
Dawn Hanwell	Chief Financial Officer (Deputy Chief Executive)	1 August 2012	N/A
Dr Chris Hosker	Medical Director	1 August 2020	N/A
Darren Skinner	Director of People and OD	1 August 2022	N/A
Cathy Woffendin *	Director of Nursing, Professions and Quality	1 March 2018	31 May 2023
Nichola Sanderson**	Director of Nursing and Professions	1 June 2023	N/A

*Cathy Woffendin took early retirement at the end of May 2023 and stood down as the Director for Nursing, Quality and Professions.

**In early 2023 a competitive interview process was undertaken and, on 1 June 2023, Nichola Sanderson was appointed into the role of Director of Nursing and Professions.

Details of the non-executive directors who have served during 2023/24 are shown in the table below along with details of their terms of appointment.

Table 2.2E – Non-executive directors that have served during 2023/24

Name	Date appointment effective from	Term on which appointed	Date appointment is expected to end or has ended	Number of the term of office
Merran McRae (Chair of the Trust)	1 January 2023	3 years	31 December 2026	First
Zoe Burns-Shore*	15 November 2023	3 years	14 November 2026	First
Helen Grantham**	15 November 2020	3 years	14 November 2023	Second
Dr Frances Healey	1 September 2022	3 years	31 August 2025	First
Cleveland Henry	1 April 2023	3 years	31 March 2026	Second
Kaneez Khan	1 November 2022	3 years	31 October 2025	First
Martin Wright	19 January 2024	3 years	18 January 2027	Third
Katy Wilburn***	26 June 2023	3 years	25 June 2026	First

* Zoe Burns-Shore commenced her first term of office as a NED on 15 November 2023.

**Helen Grantham's second term as a NED ended on 14 November 2023.

** Katy Wilburn commenced her first term of office as a NED on 26 June 2023.

More information on the changes in the NED team during 2023/24 can be found in Section 2.2.4.3 below.

2.2.4.2 The Remuneration Committee (a sub-committee of the Board of Directors)

The Remuneration Committee is a sub-committee of the Board of Directors. It has been established in accordance with the NHS Act 2006 (as amended by the Health and Social Care Act 2012) and operates in accordance with the principles in NHS England's Code of Governance for Foundation Trusts. It is chaired by the Chair of the Trust and is made up of all the non-executive directors. A copy of the Terms of Reference for this committee is available on our website.

The committee has a key role in providing the Board with assurance that: executive directors are rewarded appropriately; appropriate contractual arrangements are in place; that there is a process for assessing the performance of individual executive directors against their agreed objectives, and that plans are in place to address any areas of development.

The Remuneration Committee is independent of the executive arm of the Board of Directors. However, during 2023/24 the committee took advice from the following officers of the Trust: Dr Sara Munro, Chief Executive who provided information in regard to the remuneration for the Director of Nursing and Professions; Darren Skinner, the Director for People and OD, who provided information regarding the VSM Pay Award; and Cath Hill, the Associate Director for Corporate Governance, who provided secretariat support and advice on matters of governance. In taking this advice the committee was mindful of any potential conflicts of interest and has dealt with these appropriately as evidenced in the minutes.

The Remuneration Committee has a key role regarding the recruitment and retention of appropriately qualified and experienced executive directors. It does this by agreeing appropriate reward packages. It exercises scrutiny of the remuneration of executive directors in regard to both salary and other areas of reward and has a core responsibility to ensure compliance with all legal obligations and regulations in respect of the employment and remuneration of executive directors.

During 2023/24 the committee met on two occasions with membership being made up of the Chair of the Trust and six non-executive directors. Its main areas of business were:

- Noting and supporting the imposed pay award for VSM of 5% increase for the executive directors for the period 2023/24 to be paid with effect from 1 April 2023
- Finalising the salary for the Director of Nursing and Professions

The membership of the Remuneration Committee is all the NEDs plus the Chair of the Trust. The table below shows the Remuneration Committee meetings that each member attended.

Table 2.2F – The Remuneration Committee

Name	27 April 2023	27 July 2023
Merran McRae (chair of the committee)	✓	✓
Helen Grantham	✓	✓
Cleveland Henry	✓	-
Kaneez Khan	✓	✓
Frances Healey	✓	✓

Name	27 April 2023	27 July 2023
Martin Wright	✓	✓
Katy Wilburn		✓

✓ Shows attendance
\- Indicates those Board members who sent apologies during 2023/24
Indicates when a Board member was not eligible to attend the meeting.

2.2.4.3 The Appointments and Remuneration Committee (a sub-committee of the Council of Governors)

The term non-executive director used in this section refers to all non-executives, including the Chair of the Trust.

The Appointments and Remuneration Committee is a sub-committee of the Council of Governors. It has been established in accordance with the NHS Act 2006 (as amended by the Health and Social Care Act 2012) and operates in accordance with the principles of NHS England's Code of Governance for Foundation Trusts. It sets the remuneration and terms of service for the non-executive directors, and it also plays a role in the appointment of non-executive directors, particularly in respect of the interview panels which are normally made up of members of the committee.

The committee meets as required and is made up of governors chosen by ballot by members of the Council to represent them. It is chaired by the Chair of the Trust and is supported by the Director of People and OD and the Associate Director for Corporate Governance. If the Chair of the Trust is conflicted in any agenda item, the committee will be chaired by the Deputy Chair of the Trust or the Lead Governor as appropriate. At the end of 2023/24 its membership was made up of Les France, Ivan Nip, Ian Andrews, and Oliver Beckett, all of whom are elected governors, and Matthew Knight who is an appointed governor. It should also be noted that Caroline Bentham also served on the committee in 2023/24, but stepped down when she came to the end of her term of office as governor. Matthew Knight commenced as a member of the committee on 22 January 2024, therefore was not required to attend any of the committee meetings held in 2023/24.

In 2023/24 there were four formal meeting of the Appointments and Remuneration Committee. The table below shows the attendance of members at the meetings.

Table 2.2G – The Appointments and Remuneration Committee

Name	9 May 2023	10 August 2023	6 December 2023
Merran McRae (chair of the committee)	✓	✓	✓
Ian Andrews	✓	-	✓
Oliver Beckett	-	-	-
Caroline Bentham	-	✓	
Les France (Lead Governor)	-	✓	✓
Matthew Knight			
Ivan Nip	✓	-	✓

✓ Shows attendance
\- Indicates those governors who sent apologies during 2023/24
Indicates when a governor was not eligible to attend the meeting.

In 2023/24 the main areas of work for the committee were:

- Agreeing the timetable and process for the appointment and interviews for new Non-Executive Directors of the Trust.
- Approving an extension to the appointment of Martin Wright as a Non-executive Director
- Receiving and considering a report on the outcome of appraisals of the non-executive directors' and Chair of the Trust.
- Agreeing a cost-of-living uplift of 5% for the non-executive directors for the period 2023/24, which took effect from 1 April 2023.

It should be noted that any decisions taken by the committee must be ratified by the Council of Governors.

2.2.4.3.1 The process of appointment and re-appointment for non-executive directors

Where there is a non-executive director vacancy the appointment is normally carried out through a competitive interview process. However, where there is an incumbent NED and they are eligible by virtue of the number of years they have served in the Trust as a NED, and where they wish to be considered for re-appointment, the Council of Governors can agree to re-appoint the individual for a second term of office of up to three years subject to a satisfactory appraisal.

2.2.4.3.2 Competitive interview process

The first step in any appointment process is for the Nominations Committee (a sub-committee of the Board of Directors) to define the skills and experience required on the Board and to agree a role profile and person specification. The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) receives the agreed role profile and person specification, against which appointments are made. It is also the responsibility of the committee to agree the process and timetable for any appointment process. The process and timetable will then be ratified by the Council of Governors.

Candidates can be sought using external search companies, local networks and through the NHS Jobs website. A panel consisting of a majority of governors led by the Chair of the Trust will draw up a shortlist of candidates from the applicants. Where the role being recruited to is for the Chair of the Trust, the shortlisting panel will usually be led by the Senior Independent Director.

An interview panel will be formed from the membership of the Appointments and Remuneration Committee with a majority of governors (where possible four governors), the Chair of the Trust and an independent assessor. The panel will then conduct the interviews and choose the preferred candidate based on merit. Once the panel has made its choice, a recommendation is made to the Council of Governors and it is for the Council to ratify the recommended appointment at a general meeting.

2.2.4.3.3 Re-appointment process

In regard to the re-appointment process, the Chair of the Trust will meet with the non-executive director concerned to discuss their performance and preference in relation to re-appointment. Where the process is for the re-appointment of the Chair of the Trust, the Chair will meet with the Senior Independent Director and the Lead Governor.

The most recent appraisal will be used to inform the meeting and the Lead Governor will have been present as part of that appraisal. A report will be made to the Council of Governors by the Chair who will advise if the appraisal has been satisfactory and if the non-executive director wishes to be considered for re-appointment. The Council of Governors will then be asked to ratify their re-appointment. If the Council has evidence that this it is not appropriate to re-appoint the individual then a competitive interview process will be carried out and the individual's appointment as a NED will come to an end at a date agreed by the Council of Governors.

2.2.4.3.4 Appointment / re-appointment of non-executive directors in 2023/24

In 2023/24 there were a number of changes within the non-executive director team. Below are more details of the changes.

- As agreed by the Council of Governors, Cleveland Henry commenced a second term of three years as a non-executive director which commenced on 1 April 2023 and will finish on 31 March 2026.
- The Council of Governors considered and agreed a third term of appointment for Martin Wright (Chair of the Audit Committee). Martin completed his second term of office on 19 January 2024 and commenced a third term of three years until 19 January 2027.
- Katy Wilburn commenced in post as a non-executive director on 26 June 2023, which is her first term of three years.
- Helen Grantham's second term of appointment as a non-executive director ended on 14 November 2023.
- To replace Helen Grantham, Zoe Burns-Shore was appointed as a non-executive director and commenced in post on 15 November 2023 following a period of shadowing. As part of her role she is chair of the Workforce Committee and also sits on the Quality Committee. An external search company (GatenbySanderson) was used in the recruitment process for Zoe Burns-Shore. GatenbySanderson has no other connections with the Trust or individual directors.
- In February 2024, the Council of Governors agreed for Cleveland Henry to undertake a second term as the Trust Senior Independent Director for a further two years. This will commence on 1 May 2024.

2.2.4.4 The Nominations Committee (a sub-committee of the Board of Directors)

The Nominations Committee is a sub-committee of the Board of Directors. It has been established in accordance with the NHS Act 2006 (as amended by the Health and Social Care Act 2012) and NHS England's Code of Governance for Foundation Trusts.

Its role is to: regularly review the structure, size and composition of the Board of Directors and make recommendations for changes where appropriate; identify the skills, knowledge and experience required for vacant director posts (for both executive and non-executive directors); and ensure there are arrangements in place for succession planning within the Board.

Where the vacant post is for a non-executive director, the Nominations Committee will provide the Council of Governors' Appointments and Remuneration Committee with details of the agreed skills and experience required. Where the vacant post is for an executive director a panel, constituted in accordance with the NHS Act 2006 (as amended by the Health and Social Care Act 2012), made up of a majority of non-executive directors, will lead on the appointment process to appoint to the skill set by a process agreed by the Nominations Committee

The Nominations Committee meets as required. It is chaired by the Chair of the Trust and its membership is made up of the Chief Executive, the Director of People and OD and two non-executive directors. The choice of which NED will be on the committee at any given meeting will depend on them not having a conflict of interest in any matter under discussion at that meeting. The committee is supported by the Associate Director for Corporate Governance who provides secretariat support and advice on governance matters.

During 2023/24 the committee was not required to meet.

2.2.4.4.1 Appointment of executive directors in 2023/24

In 2023/24 there was one event within the executive director team that needs to be reported. Following the retirement of Cathy Woffendin (Director of Nursing, Quality and Professions) at the end May 2023, a competitive recruitment process took place and Nichola Sanderson was appointed to the role of Director of Nursing and Professions.

Information in sections 2.2.5 to 2.2.7 is subject to audit by our external auditors, KPMG.

2.2.5 DIRECTORS AND GOVERNORS' EXPENSES

The following table sets out the total paid to directors (executive and non-executive) and governors for out-of-pocket expenses during 2023/24.

Table 2.2H – Directors and governors' expenses

	2023/24			2022/23
	Number in office throughout the reporting period	Number receiving expenses in the reporting period	The aggregate sum paid in the reporting period £'00	The aggregate sum paid in the reporting period £'00
Executive directors	7	6	71	72
Non-executive directors	8	4	28	6
Governors*	21	0	0	1

* Appointed governors have not been included in this figure as their organisations pay the cost of travel.

Expenses relating to executive and non-executive directors are shown in more detail in the expenses payments column in table 2.2J below.

2.2.6 SENIOR EMPLOYEES PENSION ENTITLEMENTS, REMUNERATION AND BENEFITS IN KIND

Accounting policies for pensions and other retirement benefits are set out in the notes to the annual accounts; see Part B of this Annual Report. The disclosure on senior employees' remuneration and pension entitlements is subject to audit by our external auditors, KPMG.

Information about pension entitlements, remuneration and benefits in kind are set out in table 2.2I and 2.2J below

Table 2.2I – Pension entitlement for senior employees (executive directors)

Name and title	Real increase in pension at pension age (Bands of £2500) £'000	Real increase in pension lump sum at pension age (Bands of £2500) £'000	Total accrued pension at 31 March 2024 (Bands of £5000) £'000	Lump sum at pension age related to accrued pension at 31 March 2024 (Bands of £5000) £'000	Cash equivalent transfer value at 1 April 2023 £'000	Real increase in cash equivalent transfer value £'000	Cash equivalent transfer value at 31 March 2024 £'000	Employer's contribution to stakeholder pension £'000
Dr Sara Munro (Chief Executive)	0 – 2.5	47.5 - 50	60 - 65	160 - 165	879	237	1,231	0
Joanna Forster Adams (Chief Operating Officer)	0 – 2.5	30 – 32.5	60-65	165-170	1,208	135	1,484	0
Dawn Hanwell (Chief Financial Officer and Deputy CEO)	0 – 2.5	0 – 2.5	0 - 5	0-5	0	0	0	0
Dr Chris Hosker (Medical Director)	0 – 2.5	30 – 32.5	40 - 45	105 - 110	607	142	828	0
Darren Skinner (Director of People and OD)	2.5 - 5	0 – 2.5	10 - 15	15 - 20	196	49	283	0
Cathy Woffendin (Director of Nursing, Quality and Professions)	0 – 2.5	0 – 2.5	0 - 5	0 - 5	1,012	0	0	0
Nichola Sanderson (Director of Nursing and Professions)	32.5 - 35	85 – 87.5	30 - 35	85 - 90	0	654	669	0

Non-executive directors do not receive pensionable remuneration and consequently there are no entries for them in this report.

The Chief Financial Officer has not contributed to pension schemes this financial year.

Table 2.2J – Remuneration and benefits in kind for senior staff

Name and title	2023/24							2022/23						
	Salary and Fees (bands of £5000)	Taxable benefits (to nearest £100)	Annual performance-related bonuses (bands of £5000)	Long-term performance-related bonuses (bands of £5000)	All pension related benefits (bands of £2,500)	Other remuneration (bands of £5,000)	Total (bands of £5000)	Salary and fees (bands of £5000)	Taxable benefits (to nearest £100)	Annual performance-related bonuses (bands of £5000)	Long-term performance-related bonuses (bands of £5000)	All pension related benefits (bands of £2,500)	Other remuneration (bands of £5,000)	Total (bands of £5000)
	£'000	£'	£'000	£'000	£'000	£'000	£'000	£'000	£'	£'000	£'000	£'000	£'000	£'000
Dr Sara Munro (Chief Executive)	200 - 205	0	0 – 5	0 – 5	0 – 2.5	0 – 5	200 - 205	195 - 200	100	0	0	60 - 62.5	0	255 - 260
Dawn Hanwell (Chief Financial Officer and Deputy CEO)	165 - 170	0	0 – 5	0 – 5	0 – 2.5	0 - 5	165 - 170	160 - 165	0	0	0	0 - 0	0	160 - 165
Joanna Forster Adams (Chief Operating Officer)	140 - 145	0	0 – 5	0 – 5	0 – 2.5	0 - 5	140 - 145	135 - 140	0	0	0	35 – 37.5	0	170 - 175
Cathy Woffendin (Director of Nursing Quality and Professions)	20 - 25	0	0 – 5	0 – 5	0 – 2.5	0 - 5	20 - 25	125 - 130	0	0	0	5 – 7.5	0	135 - 140
Nichola Sanderson (Director of Nursing and Professions)	95 - 100	300	0 - 5	0 – 5	720 – 722.5	0 - 5	820 - 825	0 - 0	0	0	0	0 - 0	0	0 - 0
Dr Chris Hosker (Medical Director)	190 - 195	300	0 – 5	0 – 5	0 – 2.5	0 - 5	190 - 195	175 - 180	0	0	0	50 – 52.5	0	230 - 235
Darren Skinner (Director of People and OD)	135 - 140	0	0 – 5	0 – 5	30 – 32.5	0 - 5	165 - 170	130 - 135	0	0	0	30 – 32.5	0	160 - 165
Sue Proctor (Chair of the Trust)	0 - 5	0	0 – 5	0 - 5	0 – 2.5	0 - 5	0 - 5	35 - 40	0	0	0	0	0	35 - 40
Merran McRae (Chair of the Trust)	50 - 55	0	0 – 5	0 – 5	0 – 2.5	0 - 5	50 - 55	10 - 15	0	0	0	0	0	10 - 15
Helen Grantham (Non-execute Director)	5 - 10	400	0 – 5	0 – 5	0 – 2.5	0 - 5	5 - 10	10 - 15	0	0	0	0	0	10 - 15
Martin Wright (Non-executive Director)	15 - 20	100	0 – 5	0 – 5	0 – 2.5	0 – 5	15 - 20	15 - 20	0	0	0	0	0	15 - 20
Cleveland Henry (Non-executive Director)	15 - 20	0	0 – 5	0 – 5	0 – 2.5	0 – 5	15 - 20	10 - 15	0	0	0	0	0	10 - 15
Kaneez Khan (Non-executive Director)	15 - 20	0	0 – 5	0 – 5	0 – 2.5	0 - 5	15 - 20	10 – 15	0	0	0	0	0	10 – 15
Frances Healey (Non-executive Director)	15 - 20	0	0 – 5	0 – 5	0 – 2.5	0 – 5	15 - 20	10 - 15	0	0	0	0	0	10 - 15
Zoe Burns-Shore (Non-executive Director)	5 - 10	0	0 – 5	0 – 5	0 – 2.5	0 – 5	5 - 10	0	0	0	0	0	0	0
Katy Wilburn (Non-executive Director)	10 - 15	0	0 – 5	0 – 5	0 – 2.5	0 – 5	10 – 15	0	0	0	0	0	0	0
John Baker (Non-executive Director	0 - 5	0	0 – 5	0 – 5	0 – 2.5	0 – 5	0	5 – 10	0	0	0	0	0	5 – 10
Helen Grantham (Non-executive Director	0 – 5	0	0 – 5	0 - 5	0 – 2.5	0 – 5	0	5 – 10	0	0	0	0	0	5 – 10
Merran McRae (Non-executive Director	0 - 5	0	0 - 5	0 - 5	0 – 2.5	0 - 5	0	10 - 15	0	0	0	0	0	10 - 15

*Merran McRae was first appointed to the Board of Directors as a Non-executive Director on 1 January 2022. She was then appointed as the new Chair of the Trust and took up this role on the 1 January 2023.

2.2.7 FAIR PAY MULTIPLE

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median, 25th percentile and 75th percentile remuneration of the organisation's workforce.

Table 2.2K – Fair pay disclosure

	25th Percentile Pay Ratio	Median Pay Ratio	75th Percentile Pay Ratio
2023/24	7.57:1	5.61:1	4.26:1
2022/23	8.16:1	5.88:1	4.47:1

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

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £19 to £208,401 (2022/23 £12 to £197,406).

The banded remuneration of the highest-paid director in the Trust in the financial year was £203,461 (2022/23, £197,406), a percentage change of 3.07%.

The average salary and allowance for all employees in the financial year was £49,973 (2022/23, £47,303), a percentage change of 5.64%.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median, 25th percentile and 75th percentile remuneration of the organisation's workforce:

- The ratio was 7.57 times (2022/23, 8.16 times) the 25th percentile remuneration of the workforce, which was £26,876 (2022/23, £24,190).
- The ratio was 5.61 times (2022/23, 5.88 times) the median remuneration of the workforce, which was £36,295 (2022/23, £33,559).
- The ratio was 4.26 times (2022/23, 4.47 times) the 75th percentile remuneration of the workforce, which was £47,720 (2022/23, £44,163).

In 2023/24, one substantive employee received remuneration in excess of the highest-paid director (0 in 2022/23).

Remuneration for the highest paid non-director was £208,401 (2022/23, £191,849).

The median, 25th percentile and 75th percentile salaries are calculated based on data that is generated from our payroll and e-rostering system. All staff that were employed by the Trust on 31 March 2024 are included in the calculation.

2.2.8 ACCOUNTING POLICIES

Accounting policies for pensions and other retirement benefits are set out in note 1.4 of the annual accounts in Part B of this Annual Report. Details of senior employees' remuneration can be found in this Remuneration Report (senior employees for the purpose of the Remuneration Report are our executive and non-executive Board members).

SECTION 2.3 – ACCOUNTABILITY REPORT (Staff Report)

2.3.1 EQUALITY REPORTING

We believe in fairness and equality and above all value diversity and inclusion in all aspects of our work. This is demonstrated by our commitment to improving health and improving lives for our service users and staff.

Everyone who comes into contact with our organisation can expect to be treated with respect and dignity. We are committed to eliminating discrimination and to the fair treatment of everyone, taking into account all 'protected characteristics' under the Equality Act 2010 and the Human Rights Act 1998. If unfair discrimination occurs it will be taken seriously and it may result in formal action being taken against individual members of staff, including disciplinary action.

Over the last year we have delivered against the ambitions within our People Plan, informed by staff feedback from various sources. Our People Plan sets out our workforce equality commitments for 2021 to 2024 and a clear road map detailing how we will achieve these.

You can read our People Plan using the link below:

https://www.leedsandyorkpft.nhs.uk/about-us/wpcontent/uploads/sites/8/2022/03/LYPFT_People_Plan_@_14Feb2022.pdf

2.3.2 DISABILITY AND EMPLOYMENT

Our recruitment and selection procedures take full account of the requirements of the Equality Act 2010 and the associated public sector equality duties. This includes giving full and fair consideration to applicants with a disability or long-term health condition. Our People Plan details current and future actions and initiatives to respond to the immediate and longer-term needs of colleagues and to further develop the Trust as a healthy workplace in respect of both physical and psychological wellbeing. We are also a Disability Confident Employer at level two, which demonstrates that we are positive about people with disabilities and support them to successfully attain and retain employment within the Trust.

We have supportive employment practices in place not only for those that we employ who have a disability, but for those who may become disabled whilst working for us. These include a support package within our Wellbeing and Managing Attendance Procedure; a process for the management of work-related stress; an Employee Assistance Programme providing counselling and other support to staff; flexible working arrangements; and a bespoke Occupational Health Service. Our attendance procedures also take account of individual needs related to disability and provides for disability leave as a reasonable adjustment to support people to remain in work.

Our Wellbeing Assessments are embedded within our annual appraisal processes and procedure, to ensure that a recorded supportive discussion between a staff member and their manager takes place regularly. Reasonable adjustments to working environments have been undertaken, including home working and redeployment, and through the purchase of specialised equipment. In addition, a career conversation process is incorporated within annual appraisal process to identify and action career development support and training needs. These procedures and services support the employment, retention and experience of disabled employees and the implementation of reasonable adjustments to take account of individual needs.

Our diversity training package aims to raise awareness of a wide range of diversity issues, including disability, in order to minimise discrimination in all aspects of employment. Diversity training is compulsory for all staff and is required to be undertaken every three years. This ensures that our workforce is aware of current legislative and organisational requirements and best practice.

2.3.3 VALUING OUR WORKFORCE

Our workforce is our most valuable asset and we recognise this by making a commitment to ensure they are well trained, well informed and are given every opportunity to contribute not only to the delivery of services but also to the development of these and other new services. The demands on NHS colleagues during the past year have been unprecedented and supporting our colleagues to keep well and continuing to ensure they feel valued has been central to our approach.

2.3.3.1 Volunteers

Volunteering improves self-esteem, provides a wealth of experience, and can increase employment opportunities. By becoming a volunteer, a person can provide additional support to clinical teams which in turn enables them to provide the best possible care to our patients, their families and their carers. Volunteers support us to think differently and using fresh eyes add value to services in a variety of ways.

2023/24 was a successful and busy year for the Voluntary Service. Recruitment steadily increased and we retained a high percentage of volunteers beyond the six-month commitment we ask for. This shows that our volunteers are proud of the work they do and feel valued and well supported in their roles. This also reflects positively on the quality of working relationships between staff and volunteers. At the end of 2023/24 the Trust had 133 volunteers actively volunteering and a further 33 recruited volunteers who will be joining the Voluntary Service as soon placements are secured.

In 2023/24, we celebrated Volunteer Week to acknowledge and celebrate the huge range of people who give their time to volunteer in our Trust. We continue to provide our volunteers with a safe, supportive, and welcoming environment. Our Volunteers are offered the same care as our workforce, this includes access to the same training opportunities, with a specific focus on mandatory training. The Trust continues to offer every volunteer support in their role with designated supervision. We continue to grow the Voluntary Service ensuring that we attract a more diverse range of people who are both reflective and representative of the communities we serve.

We also introduced our 'Volunteer to Career' pilot in 2023/24 which is a brand-new scheme to help volunteers who are interested in a career in healthcare to gain the necessary skills to apply for an NHS job. The volunteers are supported throughout the process and it is completely free of charge.

More information on the Trust's Voluntary Service can be found on the Trust website using the following link: https://www.leedsandyorkpft.nhs.uk/get-involved/volunteering/

2.3.3.2 Staffside – working with the trade unions that represent our staff

Staffside is the elected body of the representative trade unions in our Trust. We have two partnership forums for our Medical and Non-Medical workforce. Our Joint Negotiation and Consultation Committee (JNCC) is established on behalf of our non-medical workforce and our Joint Local Negotiation Committee (JLNC) covers our medical workforce. Both committees meet quarterly to discuss and question, on behalf of the wider union membership, any issues raised by the individual trade unions or by the Trust. This committee enables our trade union colleagues to negotiate in partnership. The JNCC and JLNC are the places where all issues raised at Staffside meetings are brought to the attention of management.

Staffside has many years of successful partnership working with the Trust. We have achieved this through the nationally recognised *In Partnerships* agreement. Our Staffside Lead (partnership) works closely with the People and OD agenda and is a member of various governance groups where initiatives and challenges are discussed to ensure effective partnership working in the decision making of the organisation.

During the past year Staffside has contributed to the strategic agenda by contributing to the Trust's Cost of Living and Civility and Respect programmes of work. Staffside colleagues have helped to develop the Trust's organisational change programmes within services and have a proactive and positive presence across the organisation. In 2023/24 Staffside has:

- actively encouraged staff to complete the annual staff survey which has enabled colleagues to have their voices heard.
- collectively contributed to the work of the Cost of Living Task and Finish Group informing several initiatives across the Trust.
- contributed effectively to the ongoing development of our local Civility and Respect Statement of Intent.
- successfully worked in partnership with the People and OD Directorate and its managers to support staff going through organisational change and workforce transformation.
- contributed to the job evaluation process under Agenda for Change to ensure fairness and equity in pay banding.
- continued to support colleagues who are redeployed to minimise anyone at risk of redundancy
- contributed to feedback and action planning for teams to improve employee relations and lessons learnt sessions.
- contributed to the review and development of employment procedures, namely the launch of the Wellbeing and Attendance Policy and Managing Performance Policy.

Staffside also provides information and advice to colleagues through the development of an internal intranet page on Staffnet. They can also be contacted by emailing staffside.lypft@nhs.net.

The following tables show the Trade Union Facility Time which is required to be reported under the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Table 2.3A – The number of employees who were relevant union officials employed during 2023/24

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
9	8.39

Table 2.3B – Percentage of time spent on facility time – The number of employees who were relevant union officials employed during 2023/24 and the percentage time of their working hours spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	6
51-99%	0
100%	0

Table 2.3C – Percentage of pay bill spent on facility time during 2023/24

Total cost of facility time	£ 53,200.31
Total pay bill	£ 181,793,561
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.03%

Table 2.3D – Paid trade union activities during 2023/24

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	7.81%

2.3.3.3 - Promoting the wellbeing of our workforce

The Workforce Committee, chaired by the Wellbeing Guardian (who is a Non-executive Director) holds the Board accountable for matters relating to staff wellbeing. The committee regularly reviews workforce data on Occupational Health, the Employee Assistance Programme (EAP), CrISSP (Critical Incident Support Pathways) and absence. It has recently initiated work specifically on Violence Prevention and Reduction and the NHS Sexual Safety Charter and has enhanced the inpatient Ward Wellbeing Buddy programme.

The Trust is committed to reducing violence, as identified within Our People Plan, under the strategic priority of "Belonging in the NHS". This supports the overall NHS People Plan promise to prevent violence, so that "staff should never be fearful or apprehensive about coming to work". The national violence prevention and reduction (VPR) standard complements existing health and safety legislation and is a data-driven method focusing on colleague health and wellbeing, in a way that is reflective, proactive, preventative, responsible and accountable. This demonstrates our commitment to the health and wellbeing of our colleagues, recognising the negative impact that poor staff health and wellbeing can have on patient care. Violence toward NHS colleagues is one of the many variables that can have a devastating and lasting impact on health and wellbeing.

On 4 September 2023, NHS England launched its first ever sexual safety charter in collaboration with key partners across the healthcare system. As a signatory to this charter, we are committing to taking and enforcing a zero-tolerance approach to any unwanted, inappropriate and/or harmful sexual behaviours within the workplace, and to ten core principles and actions to help achieve this.

2.3.4 STAFF ENGAGEMENT

The Communications Team engages staff across the Trust mainly through corporate communications channels such as Staffnet (our intranet), the weekly Trustwide bulletin, our monthly Chief Executive all staff huddles, leadership and strategic priorities blogs, and a range of other activity which is done in partnership with key internal stakeholders such as our People Experience Team.

Members of the Communications Team are aligned to high priority workstreams of the People Plan. Highlights during 2023/24 include:

- People Engagement – such as the Big Thank You campaign, our reward and recognition programme including the launch of the Each Person app, staff survey campaign, coffee van programmes, and the ongoing cost of living campaign.
- People Wellbeing – such as producing the Wellbeing Wednesday bulletin, promoting wellbeing roadshows, menopause accreditation work, and the critical incident support pathway.
- People Resourcing and Retention – including recruitment campaigns, social media consultancy and launching the values-based recruitment programme.
- Equality, Diversity and Inclusion – including promoting our staff networks, our cultural inclusion ambassadors, a reciprocal mentoring programme and celebrating National Inclusion Week.

In 2023/24 the Communications team launched a new staff intranet, Staffnet 365. This will enhance the staff communications and engagement experience by making better information more easily available on any device, from anywhere, 365 days a year.

The Communications Team also provides support to other strategic priority areas of the Trust. During 2023/24 this has included:

- Working with the Chief Executive on an organisational brand redevelopment project which has involved significant staff engagement.
- Partnership working with colleagues across West Yorkshire to launch the Collaborative Staff Bank.
- Working with care services and operations to create strategic plans on a page for each service line.
- Providing dedicated and embedded communications support to the Leeds Community Mental Health Transformation Programme which has involved significant workforce engagement.
- Supporting the Complex Care programme, with particular focus on the development of the Community Rehabilitation Enhanced Support Team.
- Working with the Northern Gambling Service on the launch of five new clinics.
- Working with the Emergency Planning Team and other senior leaders to respond to multiple and ongoing periods of industrial action.
- Working with the Estates and Sustainability Teams on key programmes – such as launching the new Trust headquarters and consulting staff on the Trust's Green Plan.

2.3.4.2 Improving Culture: Improving Lives

Since autumn 2020 we have continued a staff engagement approach to developing our culture together and have worked with colleagues to listen to their feedback, drive change and create a lasting impact. Proactively seeking regular feedback from our colleagues has developed and steered our approach to key strategic challenges and focused the Trust's priorities in health and wellbeing of our colleagues, with developing the critical support pathway, ward buddies and menopause support. We have continued to support the development of our Trust staff networks, of which there are three: the Workforce Race Equality Network; the Workforce Disability and Wellbeing Network; and the Rainbow Alliance. The menopause Support Group continues from strength to strength and meets monthly, as well as regular awareness sessions for all managers. The bank forum was established in 2020 and this has continued to be a useful forum to consult with and receive feedback from our bank colleagues.

During the past three years the Trust has delivered Our People Plan, which was developed in 2021 in partnership with colleagues and teams. We measure the delivery of this plan and its impact every three months to ensure it is fully delivering on all of the Trust's key workforce ambitions. We recently refreshed the plan in 2023 and will be launching a new People Plan in 2024, for the next three years from 2024-2027. This has been collaboratively developed in consultation with colleagues across the Trust.

We know that leaders play a key role in developing our culture to create positive and healthy working environments for our people. Work to develop our leaders to lead collectively and inclusively in line with our Trust values has been continuing during 2023/24. The Trust designed and launched a major programme of development to support Trust managers to effectively lead their teams and services. It is also proactively working with a number of services to focus on developing a culture of civility and respect, utilising the national NHS England framework. The support includes actively listening and engaging our people in these services, developing strong partnership working between those leading and working in the services and supporting teams to deliver improvements and change.

2.3.4.3 Staff experience and engagement

Our staff experience at work is crucially important both to the health and welfare of our staff and to the quality of care we provide to our service users. Our colleagues are best placed to say when progress has been made or if there are areas for improvement. By amplifying our colleague voice at our Trust, we work together to take positive action to recognise, value and appreciate everyone.

The People Promise provides a framework for understanding and measuring employee experience across the Trust via the NHS National Staff Survey. It enables teams and departments to track progress and take action to improve.

Through the use of local and national listening tools, our priority is to consistently understand and enhance employee experience, to make the Trust the best place to work and to provide the best possible care for the communities we serve.

2.3.5 OUR STAFF SURVEY

The NHS staff survey is conducted annually. The survey questions align to the seven elements of the NHS 'People Promise' and two additional themes of engagement and morale. All indicators are based on a score outof 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 50.19% (43.88% in 2022/23).

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

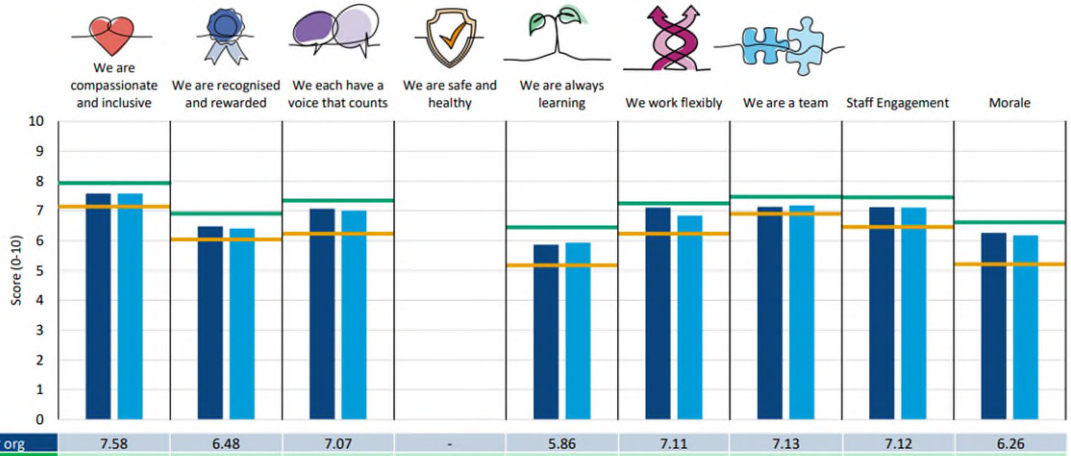
Table 2.3E – Staff survey results

Indicators ('People Promise' elementsand themes)	**2023/24**		**2022/23**		**2021/22**	
	Trustscore	**Benchmarking group score**	**Trust score**	**Benchmarking group score**	**Trust score**	**Benchmarking group score**
People Promise:						
We are compassionate and inclusive	7.58	7.58	7.6	7.5	7.5	7.5
We are recognised andrewarded	6.48	6.41	6.4	6.3	6.4	6.3
We each have a voicethat counts	7.07	7.01	7.0	7.0	7.0	7.0
We are safe and healthy	*	*	6.2	6.2	6.3	6.2
We are always learning	5.86	5.93	5.5	5.7	5.5	5.6
We work flexibly	7.11	6.84	7.0	6.7	6.9	6.7
We are a team	7.13	7.18	7.1	7.1	7.1	7.1
Staff engagement	7.12	7.11	7.0	7.0	7.0	7.0
Morale	6.26	6.17	6.0	6.0	6.1	6.0

***** At time of publication, the NHS Survey Coordination Centre and NHS England have prohibited the reporting and publication of 2023/24 results for the People Promise element "We are safe and healthy" due to an issue with the quality of the data at a national level.

The following chart displays the Trust's theme scores for 2023/24 against the benchmark group and includes the best and worst scores from the group.

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



Your org	7.58	6.48	7.07	-	5.86	7.11	7.13	7.12	6.26
Best result	7.93	6.90	7.34	-	6.45	7.25	7.47	7.45	6.61
Average result	7.58	6.41	7.01	-	5.93	6.84	7.18	7.11	6.17
Worst result	7.14	6.04	6.23	-	5.17	6.23	6.90	6.46	5.21
Responses	1566	1565	1549	-	1493	1557	1564	1566	1566

For the 2023/24 Survey we are pleased to report an improved Survey response rate achieving 50.19% up from 43.88% in 2022/23. A significant Engagement and Communications campaign was conducted to engage managers and staff across the Trust.

When comparing our results to the national average for Mental Health, Learning Disability & Community Trusts in England, we performed better in three People Promise scores which are 'We are recognised and rewarded', 'We each have a voice that counts', and 'We work flexibly'. In one theme score, 'We are compassionate and inclusive', we were equal to the benchmark group. In two theme scores, 'We are always learning' and 'We are a team', we performed below the benchmark group. For the key themes of staff 'Engagement' and 'Morale', we performed better than the benchmark group. Additionally, we have shown significant improvement over last year in the element 'We are always learning' (+0.32) and the key theme of 'Morale' (+0.24).

The 2023/24 Survey results have shown the biggest improvement in question level data since 2018. As well as improved People Promise scores, we have seen favorable improvements in our workforce equality standards. All four Workforce Race Equality Standard (WRES) metrics have shown a favourable change, with two showing significant improvement. Seven of the Workforce Disability Equality Standards (WDES) have shown favourable change, with one showing significant improvement.

From what our staff have told us in the Survey, there is still work to do and lessons to be learned from unfavourable results. The People Promise element 'We are a Team' has unfavourable declined by -0.02. There is also one Workforce Disability Equality Standard, the number of staff who believe the Trust values their work, that has unfavourably declined by -2.5%. These results are shared widely so that consideration of action to support change can be delivered at a local level.

To support our teams, intention plans were first introduced following the 2021/22 Survey results to facilitate a simplified version of local action planning. The intention plan was developed to ask teams and services to reflect on their local results and commit to doing just one thing differently that could improve the experiences of staff working in that area. Teams who developed an Intention Plan in 2023 are more likely to have seen an increase in their response rates than those without an Intention Plan. For example, 93% of teams with an intention plan increased their response rate, compared to 68% of teams without.

Throughout 2023/24 work continued at a strategic level to improve colleague experience across the Trust, with a key focus on reward and recognition, this included:

- A continued emphasis on recognising and rewarding excellence with 'Individual of the Month'

and ‘Team of the Month’ awards. Both awards highlight the valuable contributions and demonstrate how colleagues bring our values to life.

- A large-scale trustwide ‘Big Thank You Carnival’ in July 2023 to show thanks and appreciation to our staff, and to mark the 75th anniversary of the NHS. We have also continued to reinforce “we value you” throughout the year with seasonal thank you initiatives for both staff and service users.

- The pilot of our Wellbeing Buddies programme, where a member of the Wellbeing Team partners with each ward to focus on supporting staff wellbeing, continues to roll out to new service areas.

- The establishment of groups to focus on Civility and Respect to improve the experience of staff regarding incidences of bullying, harassment or abuse, physical violence and discrimination. We are using deep dives into Staff Survey data across protected characteristics to help inform these plans.

2.3.5.1 Future priorities and targets

An analysis of our Staff Survey results provides us with a basis for determining the main areas to focus on when developing our key areas for action in 2024/25.

We will continue to build on our engagement and communications campaign to increase participation in the Survey.

For the third year we will be encouraging the completion of intention plans as this has demonstrated a proven link to an increased response rate, where action is driven at the local level. The People Engagement Team are partnering with managers across the Trust to support the development of their plans. Intention plans will be submitted in June 2024 and presented to the Workforce Committee in August 2024.

2.3.6 HOW WE INVOLVE OUR STAFF IN UNDERSTANDING PERFORMANCE

2.3.6.1 Financial Performance

Our performance information is shared with our Board, our Council of Governors and performance dashboards have been created at team and service line level, in order that we can share performance information with our staff.

2.3.6.2 Contractual and regulatory performance

We continue to expand the range of timely and accessible operational dashboards for service managers via CareDirector and our business intelligence (BI) tool, Echo. These dashboards provide teams with the tools to manage patient care pathway activity and to monitor data integrity. Additionally, we continue to make improvements to the Quality, Delivery and Performance Report which was developed last year to present the Key Performance Indicator data that services need to better manage the performance and quality of their services – including an increased focus on our data through the lens of quality, assessed via the Trust’s measure of quality (the STEEEP framework, which stands for Safe, Timely, Effective, Efficient, Equitable, and Patient-centred care). The bi-monthly Quality, Delivery and Performance meetings with services have restarted and we have been pro-active in engaging with staff in each area (including service managers and clinical leads) to promote the use of new dashboards to enable discussion of performance across a range of topics including improved service delivery and quality improvement plans.

Overall performance against our contracts is monitored by the Finance and Performance Committee, which has tracked the continued impact of pressures and industrial action on performance, data quality and risk.

We continue to embed our definition of quality (the STEEEP framework) into our routine reporting at all levels of the organisation. This, in tandem with the consolidation of our reporting and improvements made to our BI tool, aims to simplify our approach, lead to improved levels of engagement from staff and others in the quality agenda, and build up a body of knowledge through the organisation on what good quality looks like.

2.3.7 SICKNESS ABSENCE

Details of the Trust's sickness absence data can be found on the NHS Digital website using the link below:

http://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

The overall average sickness absence rate between April 2023 to March 2024 was 6.49% which is an increase when compared with the previous years' absence which was 6.18% (all figures are now inclusive of Covid-19 related absence). Sickness absence rates followed a seasonal pattern with significant high points in August - September and January - February, with corresponding low points in April - June and November - December.

The latest figures available from NHS Digital at November 2023 show that the overall sickness absence rate for England was 5.3% which is lower than the Trust's position of 5.91% for March 2024. Comparison with other Mental Health Trusts shows that the average of all reporting Mental Health Trusts is 5.74% compared to the Trust's position of 6.3% in the same period (November 2023). Regional benchmarking indicates that the Trust's sickness absence figure of 6.3% is higher than the other Mental Health and Learning Disability Trust in the area where their average is 5.0% in November 2023.

The current absence rates reflect a small number of high duration Long Covid cases however it is expected that this will be reduced moving into 2024/25 where there is an expectation that certain cases will be resolved through appropriate management. The long-term sickness absence rate increased from 3.89% to 4.03% on average with short-term absence decreasing slightly to 2.01% on average of overall absence (a reduction from 2.29%).

The top three service areas with the highest overall absence rate in 2023/24 were Forensic Services (8.81%), Adult Acute Services (8.19%), and Children and Young People's Services (7.82%). The People and OD Team is actively working with service areas to address those teams with a high prevalence of sickness absence. The Absence Improvement Group review absence indicators and identifies where there may be hotspots or areas for improvement alongside suggesting amendments to policies and processes.

The professional group with the highest sickness absence in the previous 12 months was Administrative and Clerical Services at 8.89% sickness absence. This is a significant increase from the previously reported figure for this staff group of 4.20%. Nursing has decreased from 6.75% to 5.35% and is the largest staff group in the Trust, and Additional Clinical Services, which incorporates healthcare support roles, has decreased from 8.1% in 2022/23 to 7.97% in 2023/24.

Our top reason for sickness absence continues to be mental health related absences (Stress and Anxiety) at 37% of overall absence which is an increase when compared to the previous year for which it was 32% of overall absence. This is a consistent position compared the rest of the NHS where anxiety/stress/depression/other psychiatric illnesses is consistently the most reported reason for sickness absence. The second top reason for absence in 2023/24 was Cough, Cold, Flu at 10% and Musculoskeletal (MSK) related absence at 8%. Covid-19 related absence represented 5% of all absence. These are the areas where we are focusing our efforts to support colleagues and improve attendance overall.

The tables below show our sickness absence rate during 2023/24 and present some statistics around the number of days lost due to sickness absence.

Table 2.3F – Sickness absence (percentage for 2023/24)

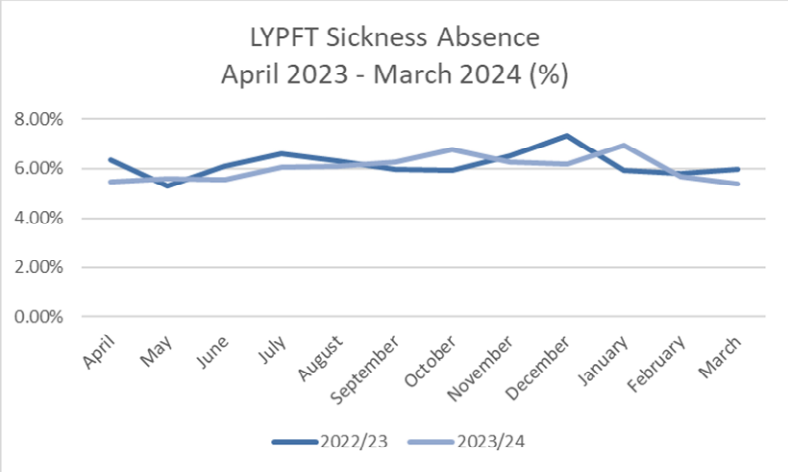


Table 2.3G – Sickness absence (percentage for 2023/24)

Month	2022/23	2023/24
April	6.37%	5.48%
May	5.29%	5.58%
June	6.12%	5.55%
July	6.61%	6.07%
August	6.30%	6.09%
September	5.99%	6.27%
October	5.92%	6.80%
November	6.54%	6.28%
December	7.33%	6.18%
January	5.92%	6.94%
February	5.80%	5.68%
March	5.96%	5.39%

Table 2.3H - Long Term Sickness Absence (percentage for 2023/24)

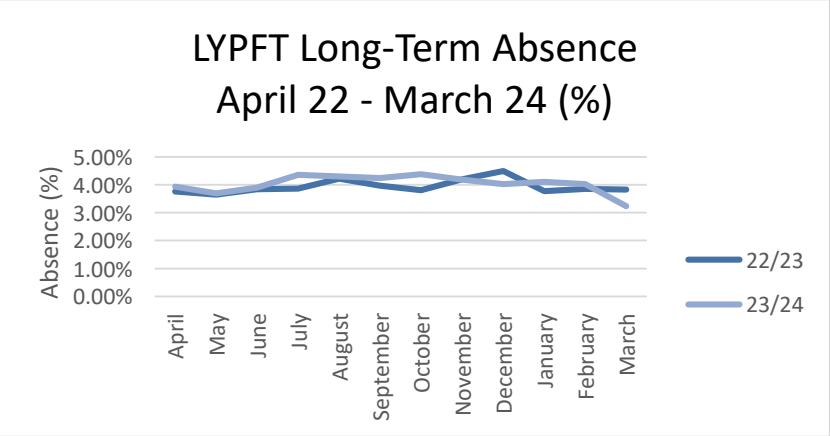


Table 2.3I - Short Term Sickness Absence (percentage for 2023/24)

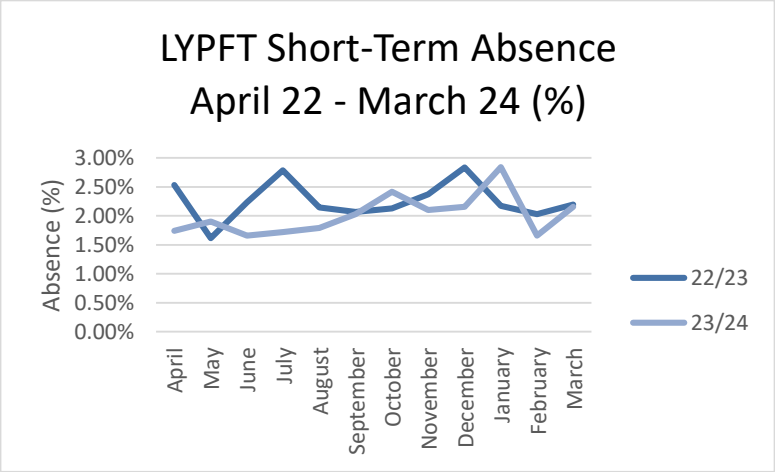


Table 2.3J – Sickness absence as reported in the FTCs

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by NHS Digital from ESR Data Warehouse		
Average FTE 2023	**Adjusted FTE days lost to Cabinet Office definitions**	**FTE-Days Available**	**FTE-Days Lost to Sickness Absence**	**Average Sick Days per FTE**
2,885	38,990	1,052,913	63,250	13.5

All absence data is recorded internally using the functionality of the Health Roster system and absence data is regularly reported through our Electronic Staff Record and shared with the People and Organisational Development (OD) Team and service lines to identify hotspots and particular trends.

Our strategic approach to the health and wellbeing of our workforce is led by the Trust's Health and Wellbeing Group. The group implements and monitors the Health and Wellbeing agenda and aligns to the Looking After Our People ambition as set out in the Trust's People Plan. In support of this group is the Absence Improvement Group who have a particular focus on absence and its reduction with improved attendance and support in the workplace. Both groups have clinical and corporate representation to ensure all colleagues are considered when implementing wellbeing support. Our People Plan will continue to embed the support services that are available and will have a focus on prevention and early intervention, with areas of focus for the next three years, such as specialised support groups for certain staff groups e.g. Menopause.

We continue to have fast track access to Occupational Health Services to effectively support the management of ill health at work, with consistent return to work and reporting processes. Following the launch of the new Wellbeing and Attendance Policy in 2023, training has been provided across the Trust to encourage a holistic and supportive method of absence management aimed at supporting colleagues with the underlying reasons for absence, taking longer term action if necessary. At the time of writing this report, the policy is being evaluated with engagement sessions scheduled to take place with a range of stakeholders, with the aim of launching an improved version with an accompanying toolkit in September 2024.

We continue to provide a 24/7 Employee Assistance Programme (EAP) through Health Assured to support colleagues from both a work and personal perspective which includes counselling support. This service is well used with a total of 421 calls logged between 1 March 2023 and 29 February 2024.

Counselling calls were the most used with Anxiety being the most common reason for usage at 21.6%, followed by Low Mood (21.1%) and an Individual event (10.9%).

Annual wellbeing conversations between line managers and their colleagues continue to take place with the Trust reporting 85% compliance across the organisation at the start of April 2024. The wellbeing conversations template is a helpful tool to support individual conversations between the line manager and colleague regarding their health and wellbeing. Our Physiotherapy Service is well established and provides a proactive support to those who have different physical challenges in the workplace and as such experience MSK related problems. The physiotherapy service identifies that the services has been used by 5.2% of our workforce between January 2024 and March 2024. We support virtual physiotherapy sessions and continue to provide education and advice to prevent injury and absence where possible.

We offer a telemedicine model to triage symptoms and offer first line physical health advice and support. We offer physical health checks for blood pressure, blood sugar, cholesterol, and body composition along with a lifestyle questionnaire with advice being offered and onward referral to GPs where appropriate. These appointments are available on request through the Occupational Health Service.

The Trust continues to support a Cost of Living Group, which met monthly throughout 2023 with a focus in helping staff through the cost of living crisis. The main initiatives included the launch of the Wagestream early salary access scheme which had received positive feedback for those who use it. The Trust has funded the Money Buddies scheme which supports colleagues to save money, increase income, and advise at time of financial hardship. The Trust also launched a Financial Support Fund in December 2022 which provides employees with an ability to request financial support when in crisis as a result of the cost of living. Since launching eight applications have been successful providing £2999.10 to colleagues. All of these schemes are in the process of being reviewed with an aim of bringing the support into business as usual policies.

In 2023, the Trust was shortlisted for the Best Health and Wellbeing Initiative (public sector) award at the CIPD People Management Awards, which was credit to the significant work in this area.

2.3.8 OCCUPATIONAL HEALTH SERVICE

We continue to share our Occupational Health Service with South West Yorkshire Partnership NHS Foundation Trust. It remains a nurse-led service created to meet the specific needs of colleagues in mental health, learning disability and community services. The team now provides an overall occupational health service for 20,000 employees in the region and continues to operate service level agreements for external contracts. During 2023/24 our Occupational Health Service has evolved with its support and guidance and contributed leadership support for the new Trust Wellbeing and Attendance Policy. The service provides a general advice line for managers and colleagues Monday to Friday, with clinic nurse support, a Physiotherapist, Occupational Therapists, and a Mental Health Nurse. The increased provision of more specialist roles provided by this service demonstrates the wide variety of need and usage by our workforce.

In 2023/24, the highest usage of the occupational health service was for management referrals, with 1833 appointments booked and 1432 attended, and 800 self-referral appointments were attended. The service also supports immunisations and facilitated 620 appointments during 2023/24.

2.3.9 HEALTH AND SAFETY

In 2023/24 a number of changes have taken place within the Health and Safety Team. A new Head of Health and Safety was appointed alongside the recruitment of two Health and Safety Advisors. They have been supported with an interim Health and Safety Consultant who has provided strategic support over the last few months of 2023/24.

The annual health and safety audit programme continued in 2023/24. Any areas that had been missed on the audit programme have since been added and will receive an annual clinical and

estates audit. 'Outstanding audit actions' is now a standing agenda item on monthly site meetings to ensure any outstanding actions are completed in a timely manner.

During 2023/24 a review of more serious incidents in the Trust was undertaken and it was identified that the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) Procedure had not been correctly followed in many cases. This effectively meant we were reporting incidents to the Health and Safety Executive (HSE) incorrectly and not legally compliant. The Health and Safety Team now oversees any reporting to external bodies for matters related to health and safety, with each incident going through a detailed review before any information is reported. This has stopped the incorrect reporting of incidents but also ensured that incidents are reported within the set time frame as directed by the regulations. Trust wide communications were circulated to remind staff how to report a RIDDOR.

A business case for Control of Substances Hazardous to Health (COSHH) compliance was approved for the implementation of a new system called Sypol as compliance gaps were identified when conducting health and safety audits. At the time of writing this report, work is also in progress to review safe systems of work and risk assessments.

2.3.10 COUNTER FRAUD

During 2023/24 the Local Counter Fraud (LCFS) Specialist Service was provided by NHS Audit Yorkshire. Audit Yorkshire specialises in all aspects of internal audit and counter fraud work, primarily across the NHS but also the public, corporate and not for profit sectors. Audit Yorkshire has a team of accredited and experienced LCFS personnel.

In January 2021 the NHS Counter Fraud Authority (NHSCFA) issued the NHS Requirements which provided detailed information on how the Government Functional Standard 013 Counter Fraud must be applied across the NHS. The requirements outlined an organisation's corporate responsibilities regarding counter fraud and the key principles for action. For 2023/24 the LCFS produced an Annual Counter Fraud Plan aligned to the standards.

There are 12 components within the Functional Standard which are sub divided as:

- Governance - which outline how the organisation supports and directs counter fraud, bribery and corruption work, undertaken to create a strategic organisation wide response when combatting fraud bribery and corruption.
- Counter Fraud Bribery and Corruption Practices - which outline the organisations operational counter fraud activities undertaken during the year when detecting and combatting fraud.

The Trust's Audit Committee reviews and approves the Annual Counter Fraud Plan identifying the actions to be undertaken to promote an anti-fraud culture, prevent and deter fraud and investigate suspicions of fraud. The LCFS also produces an annual report for the Trust and regular progress reports for the review and consideration of the Chief Financial Officer and the Audit Committee.

The Chief Financial Officer for the Trust is proactively and demonstrably responsible for tackling fraud, bribery and corruption and the LCFS regularly attends the Audit Committee. During 2023/24 the Trust nominated a new Counter Fraud Champion to support the work of the LCFS.

The Trust's counter fraud arrangements are currently compliant with the NHS Requirements published by the NHSCFA. These arrangements are underpinned by the appointment of the LCFS, the Counter Fraud, Bribery and Corruption Policy and the nomination of the Chief Financial Officer as the Executive Lead for Counter Fraud.

The LCFS completes an annual self-assessment of compliance against the NHSCFA's standards, which is reviewed and approved by the Chief Financial Officer and Chair of the Audit Committee prior to submission to the NHSCFA. The 2022/23 assessment for the Trust was completed with reference to the NHS Requirements. The assessment was submitted in June 2023 with an overall rating of Green. The return was also shared with Audit Committee members within the 2022/23 Annual Counter Fraud Report.

The LCFS will be providing a response to the Counter Fraud Functional Standard Return on behalf of the Trust in May 2024. This will look at the Trust's compliance to the NHS Requirements within the 2023/24 financial year and will be reviewed by the Chief Financial Officer and the Chair of the Audit Committee prior to submission.

The Trust participates in the National Fraud Initiative (NFI). The NFI is a sophisticated data matching exercise, which matches electronic data within and between participating bodies to prevent and detect fraudulent and erroneous payments from the public purse. This includes NHS bodies, local authorities, government departments and other agencies and a number of private sector bodies.

During 2023/24 the LCFS received allegations regarding possible fraudulent behaviour and investigated the matters accordingly whilst working in conjunction with the relevant departments throughout the Trust where appropriate. As a result of the investigations the LCFS undertook, no criminal action was taken in any of the reported matters.

The LCFS worked closely with key departments within the Trust during 2023/24 and disseminated local and national fraud alerts to departments in order to prevent fraud at the Trust.

2.3.11 AVERAGE STAFF NUMBERS

Table 2.3K – Average staff numbers for 2023/24

Average number of employees (Whole Time Equivalent basis)	Permanent (Number)	Other (Number)	Total Number (2023/24)	Total Number (2023/23)
Medical and dental	211	26	237	220
Administration and estates	764	32	796	762
Healthcare assistants and other support staff	708	312	1,020	996
Nursing, midwifery and health visiting staff	781	58	839	817
Scientific, therapeutic and technical staff	421	4	425	389
Social care staff	43	0	43	29
Total average numbers	**2,928**	**432**	**3,360**	**3,183**
Of which: Number of employees (WTE) engaged on capital projects	0	0	0	0

2.3.12 GENDER PROFILE OF OUR TRUST

Table 2.3L - The gender profile for the Trust as at 31 March 2024

Group	Number male	Number female	Total
Directors	4	9	13
Senior managers (Band 8 and above)	203	387	590
Employees	693	2114	2807

2.3.13 GENDER PAY GAP INFORMATION

The gender pay gap shows the differences in average pay between men and women. The gender breakdown of our total workforce is 75% female and 25% male. In the 2023/24 gender pay gap reporting period the Trust's mean pay gap figure was 10.5%.

We continue to undertake actions to address the gender pay gap through promoting opportunities for flexible working, shared parental leave, career progression, promotion, and leadership development opportunities.

Details of the Trust's gender pay gap data can be found on the Trust website using the following link: https://www.leedsandyorkpft.nhs.uk/about-us/equality-and-diversity/ and Cabinet Office website using the following link: https://gender-pay-gap.service.gov.uk/.

2.3.14 ANALYSIS OF STAFF COSTS

Table 2.3M – Analysis of staff costs for 2023/24

Average number of employees (Whole Time Equivalent basis)	Permanent (£000)	Other (£000)	Total £000 (2023/24)
Salaries and wages	115,894	17,268	133,162
Social security costs	13,572	0	13,572
Employer's contributions to NHS pensions	16,306	0	16,306
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	7,121	0	7,121
Apprenticeship Levy	662	0	662
Agency staff	0	11,240	11,240
Employee benefits expense	**153,555**	**28,508**	**182,063**
Of which: Charged to capital			(158)
Recharged to income			(388)
Total employee costs			**181,517**

2.3.15 OFF-PAYROLL ENGAGEMENTS

The Trust's policy in relation to off payroll engagements includes:

Off-payroll arrangements are those where individuals, either self-employed or acting through a personal service company, are paid gross. While off-payroll arrangements may sometimes be appropriate for those engaged on a genuinely interim basis, they are not appropriate for those in management positions or those working for a significant period with the same employer.

The Trust acknowledges that off-payroll engagements may sometimes be appropriate and beneficial. It is therefore important that these engagements are transparent and are open to scrutiny in the event of challenge.

Off-payroll engagements should only be made via the Procurement Team, with an authorised requisition and purchase order in place. Under no circumstances should Trust employees engage with any agency or individual (Personal Service Company) directly without consultation with the Procurement Team.

In all circumstances appropriate contracts and/or framework agreements should be in place between the Trust and either the individual, agency or personal service company. All contracts and/or

framework agreements should include a clause giving the Trust the right to seek assurance in relation to income tax and national insurance.

In addition, the appointing manager is required to undertake a risk assessment as to whether or not assurance needs to be sought that the individual is paying the right amount of tax and national insurance. This applies to all circumstances and a proforma for this is included in the policy.

The following table sets out all highly-paid off-payroll worker engagements as at 31 March 2024, earning £245 per day or greater

Table 2.3N

Number of existing engagements as of 31 March 2024	18
Of which:	
The number that have existed for less than one year at the time of reporting	6
The number that have existed for between one and two years at time of reporting.	11
The number that have existed for between two and three years at time of reporting.	0
The number that have existed for between three and four years at time of reporting.	0
The number that have existed for four or more years at time of reporting.	1

The following table relates to all highly-paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater.

Table 2.3O

Number of off-payroll workers engaged during the year ended 31 March 2024	59
Of which:	
Not subject to off payroll legislation	58
Subject to off-payroll legislation and determined as within the scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	1
Of which:	
Number of engagements reassessed for compliance or assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following review	0

All of the above were sourced through employment agencies.

The following table shows any off-payroll engagements of Board members and/or senior officials with significant financial responsibility between 1 April 2023 and 31 March 2024.

Table 2.3P

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed “board members and/or senior officials with significant financial responsibility” during the financial year. This figure should include both off-payroll and on-payroll engagements.	15

2.3.16 STAFF EXIT PACKAGES

These reporting requirements cover the total costs of exit packages agreed in the year. They include payments under the Civil Service Compensation Scheme (CSCS), payments under any other compensation schemes where applicable, e.g. other Non-departmental Public Bodies (NDPBs) and any other payments made.

Exit packages for Board members are included above with further detail in the Directors' Remuneration Report. There was no exit package agreed relating to a Board member in 2023/24 (0 in 2022/23).

The Remuneration Report provides specific details of exit payments payable to individuals named in that report.

Table 2.3Q

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	1 (0)	4 (6)	5 (6)
£10,001 - £25,000	0 (1)	1 (2)	1 (3)
£25,001 - £50,000	0 (0)	0 (0)	0 (0)
£50,001 - £100,000	0 (0)	0 (0)	0 (0)
£100,001 - £150,000	0 (0)	0 (0)	0 (0)
£150,001 - £200,000	0 (0)	0 (0)	0 (0)
Greater then £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages by type	**1 (1)**	**5 (8)**	**6 (9)**
Total resource cost (£000)	**8 (20)**	**33 (75)**	**41 (95)**
Note: Figures in brackets relate to 2022/23			

2.3.17 NON-COMPULSORY / OTHER DEPARTURES AGREED

Table 2.3R

	Agreements (number)	Total value of agreements (£000)
Voluntary redundancies including early retirement contractual costs	0 (0)	0 (0)
Mutually agreed resignations (MARS) contractual costs	0 (0)	0 (0)
Early retirements in the efficiency of the service - contractual costs	0 (0)	0 (0)
Contractual payments in lieu of notice	5 (8)	33 (75)
Exit payments following Employment Tribunals or court orders	0 (0)	0 (0)
Non-contractual payments requiring HMT approval	0 (0)	0 (0)
Total	**5 (8)**	**33 (75)**
Of which: Non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary	0 (0)	0 (0)
Figures in brackets relate to 2022/23		

As a single exit package can be made up of several components, each of which will be counted separately in this note, the total number above may not necessarily match the total numbers in Table 2.3Q (staff exit packages), which will be the number of individuals.

Non-contractual payments requiring HMT approval includes any non-contractual severance payment made following judicial mediation and any non-contractual payments in lieu of notice.

The Remuneration Report provides specific details of exit payments payable to individuals named in that report.

2.3.18 EXPENDITURE ON CONSULTANCY

Details of our expenditure on consultancy can be found in Note 5 of the Annual Accounts in Part B of Annual Report.

2.3.19 MENTAL HEALTH ACT MANAGERS

2.3.19.1 The role and remit of the Mental Health Act Managers

Mental Health Act Managers (MHAMs) are members of the public, appointed by the Board of Directors, together with non-executive directors who are able to act in this role. Their key responsibilities are to:

- Review the detention of service users who are either detained under the Mental Health Act or who have been placed on Community Treatment Orders (CTO)
- Discharge those service users who no longer meet the criteria to be detained or are subject to a CTO.

Providing assurance to the Mental Health Legislation Committee is the Mental Health Act Managers Forum. The Forum is chaired by a non-executive director and/or the lead Mental Health Act Manager to ensure a direct link to the Board of Directors in accordance with the Mental Health Act Code of Practice. This seeks to provide a forum for communication between the committee, the Mental Health Act Managers and the officers of the Trust. It provides a mechanism for assurance on, the robustness of arrangements in place for the Trust to meet its duties in respect of the Mental Health Act 1983.

In 2023/34, the Mental Health Act Managers Forum was chaired by Kaneez Khan, Non-executive Director, and Marilyn Bryan, Lead Mental Health Act Manager and Deputy Chair of the Forum. In June 2023, following the end of Marilyn Bryan's tenure, Viv Uttley was successfully appointed to the Deputy Chair role. The Forum met three times, on 20 April 2023, 18 October 2023 and 18 January 2024. The Forum was held in person on 18 July 2023 with the opportunity to join via MS Teams. All other meetings were held remotely via MS Teams.

2.3.19.2 Mental Health Act Managers who have served in 2023/24

We currently have 42 acting Mental Health Act Managers and the table below shows those people who have acted in this capacity during 2023/24. A number of Mental Health Act Managers left the panel during 2023/24 due to reaching the end of their nine year tenures. Recruitment has been completed to ensure there is a sufficient number of panel members to meet legislative requirements.

Table 2.3S - Mental Health Act Managers during 2023/24

Mental Health Act Managers during the period 1 April 2023 to 31 March 2024		
Rebecca Casson	Sharon Borrett	Devon McCroakam
Graham Marton	Dianne Graham	Katherine Burdett
Shamaila Quershi	Naveed Riaz	Lorraine Comley
Harold Kolawole	Roger Grasby	Noel Devine
Gillian Nelson	John Devine	Dipak Patel
Susan Smith	Michael Hartlebury	Nicole Quelch
Paul Yeomans	Trevor Jones	Joseph Ramage
Nick Asiedu	Andrea Kirkbride	Juan Souto

Natasha Campbell	Alex (William) Sangster	Valerie Zwart
Laura Haggett	Viv Uttley	Geraldine Langan
Julie Horne	Wasim Khan	Masuma Begum
Angela Raby	Kathy Bayliss	Bethany Holden
Anne Rice	Maria Clark	Michelle Pearson
Abi Kolawole	Taner Altinay	

Table 2.3T – Leavers of the Mental Health Act Managers Panel during 2023/24

Leavers of the Mental Health Act Managers panel during the period 1 April 2023 to 31 March 2024		
Claire Turvill	Bernadette Addyman	Claire Morris
Marilyn Bryan	Janice Wilson	Ian Hughes
Debra Pearlman	Jeff Tee	Michael Yates
Aqila Choudhry	Amran Hussain	Nasar Ahmed
Niccola Swan	Thomas White	Helen Steele
Peter Jones		

Table 2.3U - Non-executive directors acting as Mental Health Act Managers during 2023/24

Non-executive directors also acting as Mental Health Act Managers during the period 1 April 2023 to 31 March 2024
N/A

We are appreciative of the time and commitment that Mental Health Act Managers and Non-executive Directors acting as Mental Health Act Managers have given this year. Once again, we wish to thank our Mental Health Act Managers for their dedication and the skill they apply when undertaking this vital role.

2.3.20 DIVERSITY AND INCLUSION POLICIES

Our commitment to establishing a positive culture which promotes diversity and inclusion through narrowing inequality gaps, openly addressing discrimination and ensuring that all our people have a voice, is set out in our People Plan 2021 - 2024, which can be found on the Trust website using the following link:

https://www.leedsandyorkpft.nhs.uk/about-us/our-strategy/our-people-plan/

In 2023/24 we have continued to build upon work to develop an inclusive and compassionate leadership community through the delivery of a collaborative leadership programme for our senior leaders. We have expanded our 360 Manager programme, which is a comprehensive self-assessment and development programme to support our people managers and those aspiring to move into management. This programme focuses on diversity, inclusion and inclusive behaviours across all elements. To further strengthen collective accountability, we have also introduced equality and diversity objectives for our Board of Directors.

We have piloted and introduced a values-based recruitment approach, with focus on the development of fair and inclusive processes to support a representative workforce at all levels and to target under-representation. We have also developed an accessible step by step recruitment guide to support candidates at every level of their recruitment journey.

We delivered our second Reciprocal Mentoring programme between colleagues with protected characteristics and senior managers. This aims to further increase inclusive leadership learning, support career development and challenge thinking through personal insight and personal growth. We have continued to deliver and develop our equality and diversity targets set out in our People Plan road map and we will deliver on further actions in 2024/25 to further address identified differences in experiences and outcomes.

2.3.21 STAFF TURNOVER

Details of the Trust's staff turnover data can be found on the NHS Digital website using the following link:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics/october-2023

SECTION 2.4 – ACCOUNTABILITY REPORT (Disclosures required in the Annual Report)

2.4.1 COMPLIANCE WITH THE CODE OF GOVERNANCE

The Board has overall responsibility for the administration of sound corporate governance throughout the organisation. The Code of Governance for NHS Provider Trusts (the Code) was published by NHS England. The purpose of the Code is to assist the boards of NHS trusts and NHS foundation trusts with ensuring good governance and to bring together best practice from public and private sector corporate governance.

2.4.1.1 Comply or explain

The Code is issued as best practice, but also contains a number of main principles, supporting principles and code provisions on a 'comply or explain' basis. The Leeds and York NHS Foundation Trust has applied the principles of the Code of Governance for NHS Provider Trusts on a 'comply or explain' basis. The Code of Governance for NHS Provider Trusts, most recently revised in October 2022, is based on the principles of the UK Corporate Governance Code.

A full review of compliance with the Code is submitted to the Audit Committee on an annual basis to support this statement. A copy of the full report to the Audit Committee is available on request from the Associate Director for Corporate Governance. The Trust carried out a detailed self-assessment against the requirements of the Code and submitted the assessment to the Audit Committee for approval and to support this statement that the Trust continues to comply with the principles of the Code with the exceptions as listed in the table below.

Table 2.4A – Areas of non-compliance or limited compliance with the provisions of the Code of Governance

Code provision	Requirement	Explanation
B.2.5	The chair should be independent on appointment when assessed against the criteria set out in provision 2.6 below. The roles of chair and chief executive must not be exercised by the same individual. A chief executive should not become chair of the same trust. The board should identify a deputy or vice chair who could be the senior independent director. The chair should not sit on the audit committee. The chair of the audit committee, ideally, should not be the deputy or vice chair or senior independent director.	• The Chair of the Trust and the Chief Executive abide by the division of responsibilities document. • The roles of the Chair and Chief Executive are undertaken by two different individuals. • The Chair of the Trust has completed a declaration as to their independence and it has been agreed by the Board that they meet this criteria. • Whilst the Chair is required only to do this on appointment we test this (as for all other NEDs) on an annual basis. • The independence of the Chair is reported to the Council of Governors • The Chair of the Trust has not previously been the Chief Executive of the Trust. • The Board has identified a deputy chair and a senior independent director. • The deputy chair role is carried out by a NED for a period of normally 2 years therefore the SID could also be the deputy chair at some point and whilst we would not normally appoint the Deputy Chair as the SID, there are no restrictions to exclude the Deputy Chair being the SID. • The Audit Committee is not attended by the Chair of the Trust on a regular basis; however, an invitation is extended for them to attend once a year. EXPLAIN The Chair of the Audit Committee was appointed by the Council of Governors as the deputy chair prior to the new

Code provision	Requirement	Explanation
		Code of Governance coming into effect. The rationale for this was: • The Chair of the Trust was new in post and sought to have an experienced NED as deputy to provide support during the initial period of her appointment. • One of the other experienced NEDs was close to the end of their term of office and the other was the SID. • There would be an opportunity to review the arrangements as other NEDs become more experienced.
B.2.12	Non-executive directors have a prime role in appointing and removing executive directors. They should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives. The chair should hold meetings with the non-executive directors without the executive directors present.	• The Board has a Nominations Committee. This committee has a prime role in appointing executive directors, having regard for the needs of the organisation and will, where necessary, take a lead role in removing executive directors. • Non-executive directors make up the majority of panel members for executive director recruitment. • The non-executive directors will in particular provide supportive challenge on the performance of the executive directors in achieving the standards, targets and measures set. • The Chair holds a monthly meeting with the non-executive directors as a group without the executive directors present. • The Remuneration Committee will receive and consider information related to the CEO and executive director appraisals and performance against agreed objectives. EXPLAIN Non-executive directors have no executive powers or responsibility for holding individual managers to account. This is the responsibility of the executive directors.
B.2.14	When appointing a director, the board of directors should take into account other demands on their time. Prior to appointment, the individual should disclose their significant commitments with an indication of the time involved. They should not take on material additional external appointments without prior approval of the board of directors, with the reasons for permitting significant appointments explained in the annual report. Full-time executive directors should not take on more than one non-executive directorship of another trust or organisation of comparable size and complexity, and not the chairpersonship of such an organisation.	• All executive directors are appointed on a full-time basis and the CEO is responsible for ensuring there is sufficient time and resources for them to carry out their role. • NEDs are each asked to declare, on appointment and annually thereafter, that they can commit sufficient time to the role. • All NEDs have declared they have sufficient time to commit to their duties. • The letter of appointment clearly sets out the time commitment. • The ability to commit the necessary time to the role is explored at interview. • At this time no executive director is currently a non-executive director in any other organisation. EXPLAIN Regarding non-executive directors, who generally have a portfolio career, it is not appropriate for the Board of Directors to have power of veto over any part of a NED's career. All NEDs are required to confirm they have sufficient time to carry out the role they are appointed to within the Trust. This is kept under review via the appraisal process.

Code provision	Requirement	Explanation
C.2.2	There may be one or two nominations committees. If there are two, one will be responsible for considering nominations for executive directors and the other for non-executive directors (including the chair). The nominations committee(s) should regularly review the structure, size and composition of the board of directors and recommend changes where appropriate. In particular, the nominations committee(s) should evaluate, at least annually, the balance of skills, knowledge, experience and diversity on the board of directors and, in the light of this evaluation, describe the role and capabilities required for appointment of both executive and non-executive directors, including the chair.	• The Trust has two "nominations committees" – one for executive directors (the Nominations Committee) and one for non-executive directors (the Appointments and Remuneration Committee). It is the responsibility of the Nominations Committee to have an overall view of the skills and knowledge required on the Board as a whole and where these pertain to non-executive directors it will inform the governors' Appointments and Remuneration Committee of the skills to be appointed to. • The Nominations Committee meets as a vacancy arises to look at the skills and experience required and consider the diversity of members of the board. It then agrees the role descriptions for members of the Board of Directors (executive and non-executive) where appointments need to be made. • The Nominations Committee has responsibility for succession planning and will receive assurance on the deputy arrangements in place. • The Nominations Committee agrees the role / job description for both the executive and non-executive directors. • The role descriptions for non-executive directors are presented to the Appointments and Remuneration Committee so appointments can be made against these. EXPLAIN The Nominations Committee may not meet annually but always considers the balance of skills, knowledge, experience and diversity on the board of directors whenever there is a vacancy.
C.5.3	To function effectively, all directors need appropriate knowledge of the trust and access to its operations and staff. Directors and governors also need to be appropriately briefed on values and all policies and procedures adopted by the trust.	• There is in place a comprehensive induction process to ensure that all directors have an understanding of the Trust, its operations and staff. • There is an appropriate and effective induction session in place, which all new governors are required to attend. • There is a schedule in place for governors and directors to visit services. • Board workshops allow members of the Board to look at matters in greater depth and understand the issues, thereby informing the discussion at Board meetings. • The Code of Conduct (which must be signed by both directors and governors) contains information about our values. • Directors are aware of and have access to all policies and procedures within the Trust as needed to support them carrying out their role. EXPLAIN Governors are not responsible for operational matters; however, they will be briefed on any policy that is applicable to them in their role as governors and this is done through bespoke documentation for governors.
D.2.1	The board of directors should establish an audit committee of independent non-executive directors, with a minimum membership of three or two in the	• The Board has established an Audit Committee which is made up of three non-executive directors. • The Audit Committee is not attended by the Chair of the Trust on a regular basis; however, an invitation is extended for them to attend once a year. The Chair of

Code provision	Requirement	Explanation
	case of smaller trusts. The chair of the board of directors should not be a member and the vice chair or senior independent director should not chair the audit committee. The board of directors should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole should have competence relevant to the sector in which the trust operates.	the Trust is in attendance at these meetings and is not a committee member. • The terms of reference for the committee are available on the website. • The Chair of the committee has recent financial experience. EXPLAIN The Chair of the Audit Committee is currently the Deputy Chair of the Trust. This appointment was made by the Council of Governors in February 2023 before the new Code of Governance was published. Going forward we will ensure that the Deputy Chair is not the Chair of the Audit Committee.
D.2.5	Legislation requires an NHS trust to have a policy on its purchase of non-audit services from its external auditor. An NHS foundation trust's audit committee should develop and implement a policy on the engagement of the external auditor to supply non-audit services. The council of governors is responsible for appointing external auditors.	• The Council of Governors is required to approve the process for the appointment of the external auditors. • The Audit Committee oversees the procurement process supported by the Head of Procurement, Finance Manager and the Chief Financial Officer. EXPLAIN While a stand-alone policy is not in place, the process for the appointment of the External Auditor is included in the Trust's Standing Financial Instructions (SFIs) and the NHS England guidance in this respect is also followed. The SFIs state: • The Audit Committee should recommend an external auditor to the Council of Governors who will appoint them. • The Audit Committee can also recommend external auditors are appointed to review any aspect of the Trust's performance, again approved by the Council of Governors. • The Audit Committee would set the parameters for the tender for an external auditor. • It also says the Trust shall implement a procedure for considering and approving any additional services to be provided by the auditor. The NHS England guidance places restrictions on the non-audit work that can be carried out by the external auditor and the value of any work that can be done.
E.2.7	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management. The board should define senior management for this purpose and this should normally include the first layer of management below board level.	• The Remuneration Committee sets the pay for executive directors both at the point of advertising for a vacancy and then periodically if asked. • The Remuneration Committee has agreed that the pension rights for executive directors will be determined by the NHS Pension Scheme. EXPLAIN The staff on the next level down are paid under the NHS Agenda for Change pay structure and are therefore not within the remit of the Remuneration Committee. However, the only time the salaries of staff on agenda for change would be taken account of by the Remuneration Committee would be in ensuring this is sufficient

Code provision	Requirement	Explanation
		differential between those on VSM and their direct reports.

2.4.2 DISCLOSURE STATEMENTS TO BE MADE IN THE ANNUAL REPORT

The Code contains a number of disclosure statements that the Board is required to include in the Annual Report. The disclosure statements contained in the Annual Report are based on the 2022 version of the Code of Governance, and the table below shows how the Board has complied with those disclosures that it is required to include in this Annual Report.

The table below also includes a small number of specific additional requirements as set out in the NHS Foundation Trust Annual Reporting Manual, which directly relate to, or enhance the annual reporting requirements as set out in the Code of Governance for NHS Provider Trusts.

Table 2.4B – How we have complied with the disclosures we are required to report on in the Annual Report

Code provision	Requirement	Section in Annual Report
A 2.1	The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.	Section 2.7.6 Section 1.1.7.3
A 2.3	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	Section 2.3.3
A 2.8	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	Section 1.1.7.3 Section 2.7.4.7

Code provision	Requirement	Section in Annual Report
B 2.6	The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • has been an employee of the trust within the last two years • has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the trust • has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme • has close family ties with any of the trust's advisers, directors or senior employees • holds cross-directorships or has significant links with other directors through involvement with other companies or bodies • has served on the trust board for more than six years from the date of their first appointment • is an appointed representative of the trust's university medical or dental school. Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	Section 2.1.1
B 2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.	Section 3.4
B 2.17	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.	Section 4.4 Section 3.1 Section 4.4
C 2.5	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.	Section 2.3.18
C 2.8	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	Section 2.2.4.3 Section 2.2.4.4
C 4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	Section 3.3

Code provision	Requirement	Section in Annual Report
C 4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the trust or individual directors.	Section 2.1.7
C 4.13	The annual report should describe the work of the nominations committee(s), including: • the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline • how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition • the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives • the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served the gender balance of senior management and their direct reports.	Section 2.2.3.4 Section 2.2.4.4 Section 2.7.3.5 Section 2.3.12
C 5.15	Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Section 1.1.4.1
D 2.4	The annual report should include: • the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed. • An explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit and an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.	Section 3.6 Section 6.1

Code provision	Requirement	Section in Annual Report
D 2.6	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.	Section 2.1
D 2.7	The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.	Section 2.7
D 2.8	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	Section 2.7
D 2.9	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation trust annual reporting manual which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare.	Section 1.1.8
E 2.3	Where a trust releases an executive director, eg to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	N/A
Appendix B, para 2.3 (not in Schedule A)	The annual report should identify: • the members of the council of governors • the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. • the nominated lead governor.	Tables 4B and 4C in Section 4.1 Tables 4B and 4C in Section 4.1 Section 4.1
Appendix B, para 2.14 (not in Schedule A)	The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.	Section 5.5 (governors) Section 3.3 (directors)
Appendix B, para 2.15 (not in Schedule A)	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, eg through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	Section 4.5

Code provision	Requirement	Section in Annual Report
Additional requirement of FT ARM resulting from legislation	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	This power has not been exercised during the course of the financial year.

2.4.3 DISCLOSURES AS PER SCHEDULE 7 OF THE LARGE AND MEDIUM SIZED COMPANIES AND GROUPS REGULATIONS 2008

This section sets out those disclosures required as per Schedule 7 of the Large and Medium Sized Companies and Groups Regulations 2008 and where these have been reported.

Table 2.4C – Disclosures and where they are reported in the Annual Report

Disclosure requirement	Statutory reference	Section in which reported
Any important events since the end of the financial year affecting the NHS foundation trust	7(1) (a) Schedule 7	There have been no significant events after the year end
An indication of likely future developments	7(1) (b) Schedule 7	Section 1.1.7.2
An indication of any significant activities in the field of research and development	7(1) (c) Schedule 7	See the Trust's Quality Report
An indication of the existence of branches outside the UK	7(1) (d) Schedule 7	Not applicable, no disclosure required
Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities	10(3) (a) Schedule 7	Section 2.3.2
Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period	10(3) (b) Schedule 7	Section 2.3.2
Policies applied during the financial year for the training career development and promotion of disabled employees	10(3) (c) Schedule 7	Section 2.3.2
Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees	11(3) (a) Schedule 7	Section 2.3.4 Section 2.3.6

Disclosure requirement	Statutory reference	Section in which reported
Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests	11(3) (b) Schedule 7	Section 2.3.4
Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance	11(3) (c) Schedule 7	Section 2.3.4 and 2.3.6
Actions taken in the financial year to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the NHS foundation trust	11(3) (d) Schedule 7	Section 2.3.6
In relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the NHS foundation trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash- flow risk, unless such information is not material for the assessment of the assets, liabilities, financial position and results of the entity	6 Schedule 7	Section 1.2.2

SECTION 2.5 – ACCOUNTABILITY REPORT (NHS Oversight Framework)

2.5.1 NHS OVERSIGHT FRAMEWORK

NHS England's System Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care, access and outcomes
- Finance and use of resources
- People
- Preventing ill health and reducing inequalities
- Leadership and capability.

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers with serious and complex issues, and '1' reflects providers who are consistently high performing across the 5 areas above. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

2.5.2 SEGMENTATION

Segmentation enables NHS England to take an overview of the level and nature of support required across the provider sector, and to target its support capacity as effectively as possible. During 2023/24 the focus was on trusts that met the criteria for segments 3 and 4. The default position being segment 2.

NHS England has assessed Leeds and York NHS Foundation Trust as segment 2. For ICBs and trusts in segments 1 and 2, overall support needs will be formally reviewed on a quarterly basis by the relevant regional team (in the case of individual organisations this will happen in partnership with the integrated care board)

There are no enforcement actions placed upon the Trust by NHS England and no actions are being taken or proposed by the organisation. This segmentation information is the Trust's position as of 15 March 2024.

CONFIRMATION FROM THE CHIEF EXECUTIVE

As Chief Executive I confirm that the information in this Accountability Report (made up of sections 2.1 to 2.5 of this Annual Report) is accurate to the best of my knowledge and that I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed: Date: 20 June 2024

Dr Sara Munro
Chief Executive

SECTION 2.6 – STATEMENTS

2.6.1 STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER OF LEEDS AND YORK PARTNERSHIP 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 [name] NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of [name] NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

Signed Date: 20 June 2024

Dr Sara Munro
Chief Executive

SECTION 2.7 – ANNUAL GOVERNANCE STATEMENT

This statement seeks to make assurances about the framework of internal controls put in place to identify and manage risk for the period 1 April 2023 to 31 March 2024.

2.7.1 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*.

2.7.2 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 Leeds and York Partnership 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 Leeds and York Partnership NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

2.7.3 CAPACITY TO HANDLE RISK

The Board of Directors has overall responsibility for the governance of the Trust. It provides high-level leadership for risk management. The directors (both executive and non-executive) have appropriate skills and experience to carry out this function effectively and each member of the Board of Directors has corporate and joint responsibility for the management of risk across the organisation.

The Board is responsible for reviewing the effectiveness of the system of internal control, including systems and resources for managing all types of risk. The cycle of Board meetings continues to ensure that it devotes sufficient time to setting and monitoring strategy and having oversight of the key risks to achieving the strategic objectives. The Board also monitors performance against key targets and measures and considers any risks to achieving these.

A Board sub-committee structure is in place and includes the: Quality Committee, Finance and Performance Committee, Mental Health Legislation Committee, Workforce Committee; and an Audit Committee. Each has delegated responsibility for monitoring risk within their areas of responsibility, including receiving the Board Assurance Framework in accordance with their terms of reference.

The Director of Nursing and Professions has overall lead responsibility for the development and implementation of a framework of organisational risk management, they also have responsibility for the management of risk of infection prevention and control and their portfolio incorporates the role of the Director for Infection Prevention and Control (DIPC). However, all executive directors have a duty to effectively manage risk within their own area of responsibility. The Chief Financial Officer (CFO) has delegated responsibility for managing the development and implementation of financial risk (including oversight for counter-fraud). Within their portfolio, the CFO also has the role of Senior Information Risk Officer (SIRO); and the Medical Director is the Caldicott Guardian and the Deputy

Medical Director is the Responsible Officer. The responsibility for risk management is communicated to all staff through their job descriptions and a compulsory training module.

2.7.3.1 Staff training

The Trust provides compulsory training for all staff to complete in order to comply with internal, legislative, and regulatory standards. The composition of compulsory training programmes for different groups of staff have been risk assessed to ensure these are targeted, and that appropriate packages of training are in place. We have a process for monitoring the uptake of compulsory training through a system called Learn. The Director of People and Organisational Development oversees performance, and assurance reports are made to the Workforce Committee on performance against our target measures.

Risk management training and awareness is included in the compulsory health and safety training and is supported by local induction. The Trust's risk management team delivers specific risk management training at all levels across the Trust. The role of individual staff in managing risk is supported by a framework of policies and procedures that promotes learning from experiences and sharing good practice.

The Board also receives training on risk through bespoke training sessions which address their legal and statutory responsibilities as a Board member.

2.7.3.2 Clinical governance

A new Clinical Governance Framework has been collectively developed which is being applied through new consistent Terms of Reference and agendas for service based clinical governance meetings. The framework sets out the key activities related to clinical governance that are expected from all our services, to be undertaken and overseen to keep our organisation safe and effective.

The Unified Clinical Governance Group was developed as part of our new clinical governance structure. This brings together all our services collectively to report, provide assurance, provide oversight, and identify opportunities for organisational learning.

2.7.3.3 Patient Safety Incidents

The Trust actively encourages an open and honest culture of reporting incidents, risks and hazards. It uses all such reports as an opportunity to learn and improve. All reported incidents are reviewed by an assigned manager who reviews, completes and approves the incident. Any required additional support is offered to the relevant teams and any learning is identified including good practice.

The Learning from Incidents and Mortality Meeting (LIMM) reviews all level 4 (serious harm) and level 5 (death) incidents reported via Datix. The LIMM membership agrees the required level of investigation. Progress made with investigations is monitored by the LIMM or other appropriate forums within the Trust's governance structure. The work of the LIMM identifies themes and trends and where appropriate will provide links to the mortality review process (Structured Judgement Reviews). The LIMM is a sub-committee to the Trust Incident Review Group (TIRG) and reports into it accordingly. The TIRG has responsibility for reviewing, in detail, all serious incident reports, with the aim of agreeing that the recommendations and actions from the relevant reviews are appropriate.

The Trust also seeks additional learning opportunities through the identification and sharing of good practice, both internal and external to the Trust, including benchmarking; clinical supervision; reflective practice; individual and peer reviews; continuing professional development programmes; clinical audit; the application of evidence-based practice; and the application of robust health and safety processes. Points of learning from any of these sources and potential changes in clinical practice are reviewed as necessary by the Trustwide Clinical Governance Group with assurances being made to the Board through the Quality Committee.

The Patient Safety Incidents Response Framework (PSIRF) policy and plan has been completed and shared for consultation; it is scheduled to be presented for ratification in May 2024. A PSIRF oversight

group was developed to oversee and provide assurance around the project. Benchmarking against required standards has taken place and an action plan has been developed also fulfilling our mandatory reporting requirements for Patient Safety Incidents to the Care Quality Commission via The National Reporting and Learning System (NRLS) / the Learn from Patient Safety Events Service (LFPSE), Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) to Health and Safety Executive (HSE) etc.

2.7.3.4 NHS Resolution

The Trust is committed to the effective and timely investigation of any claims and subsequent response to any claim. The Trust is a member of NHS Resolution (previously NHS Litigation Authority), a claims management scheme. As a member, it respects the requirements and notes the recommendations of the Department of Health and Social Care and of NHS Resolution and its claim handling schemes. The components of the scheme are set out below:

- Clinical negligence claims against the Trust are covered by NHS Resolution's Clinical Negligence Scheme for Trusts (CNST). The Trust is the legal defendant, however, the NHSR takes over full responsibility for handling the claim and meeting the associated costs.
- Employer liability claims are covered by NHS Resolution's Risk Pooling Scheme for Trusts (RPST) and Liability to Third Parties Scheme (LTPS). LTPS covers employers' liability claims, from straightforward slips and trips in the workplace to serious manual handling, bullying and stress claims. In addition LTPS covers public and products liability claims, from personal injury sustained by visitors to NHS premises to claims arising from breaches of the Human Rights Act, the Data Protection Act and the Defective Premises Act
- Claims in respect of loss or damage to Trust property are covered by NHS Resolution's RPST Property Expenses Scheme (PES).

2.7.3.5 Work performed to assess Well-led

The Board is required to carry out an independent review of governance against the well-led framework every three years. In 2021/22 Deloitte LLP carried out a Well-led Governance and Leadership Review which built on their findings and recommendations from the 2017 review.

Their approach included a desktop review, board survey, interviews and focus groups. They then assessed this information against the key findings and recommendations from the 2017 review and undertook benchmarking activity against the newly revised CQC Well-led Framework. The detailed outcome of the review was presented to the Board of Directors in January and March 2022 and concluded that since the independent review of governance arrangements undertaken in May and October 2017 the Trust had made good progress against many of those recommendations. It noted that this progress had been made within the context of a move towards Integrated Care Systems and also the Covid-19 pandemic, which inevitably had impacted on the Trust's ability to make progress against some of those recommendations. As part of the three yearly review process, a further external review against the Well Led Framework will be commissioned and undertaken in Autumn 2024 which will include the Board composition and overall leadership.

In regard to the benchmarking against the revised CQC Well-led Framework there were nine further recommendations. Progress against these were presented to the March and September 2022 private Board meeting, with a final report being presented to the September 2022 Board meeting, assuring the Board that all the actions had either been completed or moved into business as usual.

2.7.4 THE RISK AND CONTROL FRAMEWORK

The Trust has in place a comprehensive Risk Management Policy which is published on Staffnet and available to all staff. The purpose of this policy is to ensure the Trust manages risks in all areas using a systematic and consistent approach. It provides the framework for a robust risk management process throughout the Trust. The document describes the Trust's overall risk management process and the Trust's risk identification, evaluation and control system.

All risks are assessed using an electronic system (DATIX) for recording and managing risk assessments, which can be accessed through Staffnet. This system is used by staff to assess and record risk assessments, scoring risks using a 5 x 5 assessment of likelihood and impact. Risks are then captured on the appropriate risk register which could be local, service line, corporate or strategic. We have in place an Executive Risk Management Group which is chaired by the Chief Executive. This monitors risks, in particular those scoring 15+.

Local and service line level risks are discussed and reviewed within the appropriate operational or clinical governance meetings to ensure that appropriate and timely mitigation is in place. Where actions require escalation there should be a discussion within the operational or clinical governance meeting to identify the appropriate forum in which to raise issues and seek further support. Clinical risk management is based on a structured clinical assessment model and supported by decision-making aids.

Risk is evaluated and controlled through the risk register; this is an evidence-based tool. The Trust's risk register is held on DATIX and is a live and dynamic system. Risks are developed and agreed by individual care services. Strategic risks are signed off by senior managers within the clinical governance structure.

The Executive Risk Management Group (ERMG) is held on a bi-monthly basis and chaired by the Trust's Chief Executive, the ERMG review specific risks rated 15 or above. As part of the cycle of business there is a programme to ensure the review of risk registers for each service line.

The Patient Safety Team monitor the risk register to review outstanding risks and actions; this is communicated to the individual allocated to the risk on the 15th of each month. Risks are reviewed, and once evaluated as an accurate and controlled risk in the action plan, they will be signed off by a senior leader.

The Board Assurance Framework (BAF) is a vital document that tells the board, and the trust's stakeholders, of strategic risks, which relate directly to achievement of the organisation's strategy and are identified 'top-down' by the board or executive management. Operational risks, in contrast, arise from day-to-day activities and are usually identified 'bottom-up' by managers of individual services. Thus, the starting point for identifying the strategic risks should be the agreed strategic objectives.

2.7.4.1 The Board Assurance Framework

The Board Assurance Framework (BAF) is one of the key risk assurance tools for the Board. It contains the principal risks to the achievement of the organisation's strategic objectives, which are taken from the strategic risk register. It also sets out the Board's risk appetite in relation to those risks. The BAF enables the Board, primarily through its Board sub-committee structure, to monitor the effectiveness of the controls required to minimise the principal risks to the achievement of the Trust's objectives and therefore provides evidence to support this Annual Governance Statement.

In 2023/24 the strategic risks on the BAF were reviewed and agreed by the Board. This was followed by a review of the controls, assurances and gaps to ensure these correctly reflected the refreshed risks. In accordance with their Terms of Reference, the BAF is regularly reviewed by the Board and the Audit Committee. The relevant sections of the BAF are also reviewed by the Board sub-committees for those risks where they are named as assurance receivers.

2.7.4.2 Regulation

Leeds and York Partnership NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC). Compliance with the CQC fundamental standards of quality and safety are one of the elements of the organisation's risk management process.

Following a CQC inspection we will take a Trustwide view of the themes and have a holistic approach to resolving any issues and reducing the risk of non-conformity across the Trust. We ensure that the programme of activities and projects are working together and that benefits and improvements are brought to all core services.

In January 2024 the CQC Steering Group, which provides oversight and assurance in relation to CQC regulatory activity across the organisation, recommenced. The group has responsibility for the delivery of the CQC Readiness Workplan which includes overseeing the peer review process, supporting Trustwide learning in relation to CQC activity, keeping abreast of any recent CQC activity, ensuring oversight of enquiries, reviewing and planning engagement meetings, ensuring oversight of actions from the 2019 inspection, ensuring oversight and assurance of peer review actions and the implementation of the new CQC inspection framework. The CQC Steering Group reports into the Trustwide Clinical Governance Group as a mechanism for providing assurance and for any escalations.

Quality and Safety Peer Reviews act as an internal assessment against regulatory compliance and standards. A standardised tool kit has been developed aligned to the CQC's quality statements which are used to guide and direct their inspections of care services. Through the use of the standardised framework, areas for improvement, risks to service delivery and areas of good practice are identified. Experience from within the organisation is drawn upon to identify a team to effectively carryout the quality and safety review. Any must do or should do actions from the latest CQC inspection or Mental Health Act Inspection form part of the review and evidence is gathered to provide assurance that actions have been addressed and embedded.

Recommendations and actions are monitored through local governance systems to ensure progress and oversight. A system is in place to ensure that any recommendations and opportunities identified for learning, both at a service and organisational level, are shared through the governance structure. Any areas of concern are escalated through the Unified Clinical Governance Group.

2.7.4.3 Governance, Accountability, Assurance and Performance Framework

The Trust has established a Governance, Accountability, Assurance and Performance Framework which sets out the organisation's overarching principles and approach to delivering a quality service in a high performing organisation. The framework aims to ensure the Trust successfully delivers national standards for governance and performance through clear lines of accountability.

The framework describes how the Trust will use information management, alongside clear governance and accountability in order to deliver effective performance. This will be achieved through a tiered performance management process which demonstrates rigour, support, challenge, timely escalation and a consistent approach to clinical governance and performance management at all levels of the organisation. It uses the approach set out in the System Oversight Framework from NHS England and the underpinning principles of the framework are aligned with the Trust's strategy, values and behaviours and the CQC's quality statements.

During quarter four of 2023/24, the integrated governance approach for the Trust was reviewed by the Executive Team and senior leaders to ensure that the structure reflected good practice. The Governance, Accountability, Assurance and Performance Framework was agreed to be the appropriate mechanism for managing governance and will continue to be reviewed into 2024/25 to ensure it reflects the relevant governance structures through the coming year.

2.7.4.4 Fraud, corruption and bribery

The Trust has procedures in place that reduce the likelihood of fraud, corruption and bribery occurring. These include an Anti-fraud and Bribery Procedure, Standing Orders, Standing Financial Instructions, documented procedures, a system of internal control (including internal and external audit) and a system of risk assessment. In addition, the Trust seeks to ensure that a comprehensive anti-fraud, corruption and bribery culture exists throughout the Trust via the appointment of a dedicated Local Counter-fraud Specialist (LCFS) in accordance with the standards set out in the provider contracts.

Our LCFS has conducted work across all generic areas of counter-fraud activity, placing emphasis on the continued anti-fraud culture within our Trust and the prevention of fraud. Counter Fraud Induction material is provided to new members of staff and an ongoing programme of Counter Fraud Masterclasses are available for staff to attend throughout the year. The LCFS has continued to be proactive in their work and our staff have continued to be alerted to potential and real fraud risks.

2.7.4.5 Principal risks to compliance with the NHS provider licence section 4 (governance)

The Trust has put in place measures to ensure the Board is able to confirm compliance with the NHS provider licence section 4 (governance) i.e. that we apply systems and standards of good corporate governance expected of a supplier of health services.

Our arrangements include a governance structure with four locally determined Board sub-committees, over and above those required in statute (the Quality Committee, the Finance and Performance Committee, the Mental Health Legislation Committee and the Workforce Committee). This ensures that members of the Board (particularly non-executive directors) are assured of the governance of the organisation and are assured on the quality of services (clinical and non-clinical). There is also a comprehensive governance and management structure beneath the Executive Management Team to support executive directors in delivering their individual portfolios and support the Chief Executive in carrying out their duties as Accounting Officer.

The Board of Directors and its sub-committees have agreed terms of reference setting out the accountabilities and the delegated authority they have been given by the Board to carry out work on its behalf. The Trust has in place all the necessary statutory documentation including a constitution, a scheme of delegation and matters reserved to the Board. The Trust also has a Corporate Governance Strategy which describes the framework for corporate governance and references all the documents that sit within that framework. All members of the Board have role descriptions, clearly setting out their duties and areas of accountability and there is a signed memorandum of understanding between the Chair and Chief Executive, setting out their respective responsibilities. All Board members have been deemed to be Fit and Proper in accordance with the CQC standard.

In accordance with its cycle of business the Board receives reports from executive directors that details compliance with, and achievement of, regulatory, contractual and local targets. The Board and its sub-committees receive timely and accurate information at each of their meetings, and in accordance with their scheduled cycles of business. Performance data relating to their areas of responsibility will be scrutinised. Performance is also reported to the Council of Governors and governors are provided with an opportunity of holding the non-executive directors to account for the performance of the Board.

2.7.4.6 Stakeholders and partners

The Trust involves stakeholders and partners in identifying and managing risks to its strategic objectives in a number of ways. These include:

- working in partnership to develop system-wide plans with stakeholders across Leeds and West Yorkshire through the Integrated Care System (ICS) and Leeds Place-based Partnership processes
- participating within the citywide strategic partnership group for mental health (West Yorkshire Mental Health Learning Disability and Autism Collaborative and its Committees in Common)
- working with partners in health and social care services in developing and considering business and service change. The Trust has a framework for managing change to services agreed as part of its contracts with its main commissioners. The Trust also has good relationships with Overview and Scrutiny Committees
- active relationships with Healthwatch and service user and carer groups, working with these groups on the management of service risks and change
- active engagement with governors on strategic, service, and quality risks and changes including the setting of strategic priorities.

2.7.4.7 NHS Pension Scheme control measures

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's regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments to

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.

2.7.4.8 Equality, diversity and human rights control measures

Control measures are in place to ensure that the organisation's obligations under equality, diversity and human rights legislation are complied with. The Board has arrangements in place to ensure that the Trust complies with its legislative requirements. It has approved equality objectives, and an annual equality progress assessment is undertaken using the Equality Delivery System framework. These arrangements go beyond those required in statute, and provide a comprehensive system of support, understanding, participation and scrutiny in relation to equality and diversity; including a dedicated resourced Equality and Inclusion Team.

The Chair of the Trust ensures that the Board's agendas adequately reflect the strategic discussions that need to take place at Board level in relation to equality, diversity and inclusion.

We have in place systems for monitoring equality progress and compliance against our People Plan 2021 - 2024 through our workforce governance structure including the Workforce Committee, which reports to the Board on performance against our target measures and the publication of our gender pay gap, workforce race and workforce disability standard data and annual actions.

Evidence that issues specific to equality and diversity have been considered is required before policy decisions are made. Equality analysis screening is required for all papers presented to governance meetings and for all new and revised procedural documents.

Alongside the arrangements we have in place for ensuring equity and diversity in the workforce, the Mental Health Legislation Committee receives reports on understanding why there are a disproportionate number of service users from ethnic minorities within our crisis service and detained under the Mental Health Act. Assurance on the matters discussed at the committee meetings is provided to the Board through committee Chair reports with any matters of concern being escalated to the Board. These arrangements provide a robust level of support and co-ordination, including a dedicated senior Health Inequalities Lead.

2.7.4.9 Carbon reduction delivery plans

The foundation trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance of the Greener NHS programme. The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

In 2021 all NHS Trusts were required to publish a Green Plan, outlining the Trust's commitment to achieving Net Zero carbon emissions in line with the NHS Strategy '*Delivering a Net Zero NHS'*. This requires zero direct carbon emissions by 2040 and zero indirect emissions by 2045. The Trust published 'Our Green Plan' and expanded the Trust's Sustainability Team to include a Head of Sustainability, a Sustainability Project Manager and an Environment and Sustainability Manager in addition to the existing Executive Leads. The Team has implemented a governance structure including a Sustainability Steering Group and themed Green Plan subgroups to deliver the Green Plan targets. A review of our Green Plan began in 2023/24 and will continue into 2024/25.

2.7.4.10 Workforce

The Trust's People Plan 2021-2024 is currently being refreshed and updated for 2024-2027. The Plan sets out our longer-term vision and ambitions as well as the annual priorities and deliverables. We have undertaken an active role in NHS England's Health Care Support Worker initiative to reduce vacancies and improve retention. We have piloted a new job description and person specification for health care support workers as well as values-based recruitment to help ensure the Trust recruits support workers whose values align with the Trust's. We have also developed a new flexible working policy and approach, including flexible retirement to help improve retention.

Our workforce requirements and performance are managed through the workforce governance structure made up of a range of focused operational groups which identify short and long-term workforce requirements as well as solutions to meet immediate needs and long-term workforce planning which includes the development of new roles and career pathways.

The performance against workforce metrics is scrutinised by the Workforce Committee, the chair of which makes a report to the Board of Directors.

We recognise that many of our wider workforce challenges are best met by working in partnership. We work collaboratively within both Leeds and in the West Yorkshire Health and Care Partnership on shared leadership and development programmes, workforce planning and coaching and recruitment materials to promote working in the NHS. We are also active partners in the development and leadership of the West Yorkshire Mental Health Workforce Collaborative.

The Trust has a comprehensive workforce plan that is updated annually and signed off by the Chief Executive. Progress against the plan is discussed by the Board along with local quality dashboard to provide assurance around safer staffing.

The introduction of new roles and any service redesigns are subject to a comprehensive quality impact assessment which is discussed at the appropriate governance meetings including the Efficiency and Productivity Programme, the Financial Planning Group and the People and Organisational Development Governance Group and can be escalated to the Workforce Committee if appropriate.

There is a formal escalation process in place for managing any business staffing issues and concerns via the Mental Health Optimal Staffing Tool (MHOST). In addition to, and to complement, Our People Plan, there are a number of specific professional strategies including the Medical Strategy, Nursing Strategy, and the Psychological Professions Strategy. These strategies set out plans for the leadership and development of the workforce within the Trust for the next three years.

We also have a Wellbeing Guardian. This role is fulfilled through the Chair of the Workforce Committee. On behalf of the Board, the Wellbeing Guardian holds the executives to account for matters relating to staff wellbeing. The Wellbeing Guardian aligns with nine principles outlined by NHS England. Wellbeing is a standing agenda item at each of the Workforce Committee meetings.

2.7.4.11 Non-executive Director Champions

In December 2021, NHS England released a guidance document titled *'Enhancing board oversight: a new approach to NED champion roles'*. This recommended that the named individual should be the chair of the relevant Board sub-committee with the requirements of the role being discharged through that committee. Below is how the Trust meets these requirements:

Table 2.7A – List of Non-executive Director Champions

NED champion role	Legal basis	NED / Sub-committee to oversee the NED Champion role	How assurance will be received
Maternity board safety champion	Recommended to all trusts providing maternity services. Please note - while LYPFT does not provide maternity services, it was agreed by the Board in January 2021 that the Quality Committee would carry out the NED Champion role for the Perinatal Service.	• Named champion to be the chair of the Quality Committee. • Requirements of the role to be discharged through the Quality Committee.	• Annual Quality Report from the Perinatal Service. • Assurance and escalation from governance groups.

NED champion role	Legal basis	NED / Sub-committee to oversee the NED Champion role	How assurance will be received
Wellbeing guardian	Recommended to all trusts.	• Named champion to be the chair of the Workforce Committee. • Requirements of the role to be discharged through the Workforce Committee.	• Wellbeing guardian report presented at every meeting. • Escalations and assurance from governance groups. • Data within the Workforce Performance Report.
Freedom to speak up	Recommended to all trusts.	• Named champion to be the Senior Independent Director. • Requirements of the role to be discharged through the Board of Directors.	• Freedom to Speak Up Guardian update report. • Freedom to Speak Up Guardian Annual Report.
Doctors disciplinary	Statutory for all trusts (advisory for foundation trusts).	• Named champion to be the chair of the Workforce Committee. • Requirements of the role to be discharged through the Workforce Committee.	• Six monthly updates on professional regulatory cases. • Bi-annual employee relations, disciplinary investigations and litigation claims report.
Security management	Statutory for all trusts, excluding foundation trusts.	N/A – applicable to all trusts, excluding foundation trusts.	
Hip fracture, falls and dementia	Recommended to all trusts.	• Requirements of the role to be discharged through the Quality Committee.	• Data within the Combined Quality and Workforce Performance Report. • Annual Quality Report from the Older Peoples Services. • Escalations and assurance from governance groups.
Learning from deaths	Recommended to all trusts.	• Requirements of the role to be discharged through the Quality Committee.	• Learning from Deaths Reports.
Safety and risk	Recommended to all trusts.	• Requirements of the role to be discharged through the Audit Committee.	• Risk Management Annual Report. • Board Assurance Framework.
Palliative and end of life care	Recommended to all trusts. Please note - while LYPFT does not provide an end of life service, it provides person centred care based on individual needs which may include end of life care.	• Requirements of the role to be discharged through the Quality Committee.	• Reports to the Quality Committee.

NED champion role	Legal basis	NED / Sub-committee to oversee the NED Champion role	How assurance will be received
Health and safety	Recommended to all trusts.	• Requirements of the role to be discharged through the Audit Committee.	• Health and Safety Annual Report. • Health and safety updates to each meeting.
Children and young people	Recommended to all trusts.	• Requirements of the role to be discharged through the Quality Committee.	• Annual Quality Report from the CYPMHS. • Escalations and assurance from governance groups.
Resuscitation	Recommended to all trusts.	• Requirements of the role to be discharged through the Quality Committee.	• Escalations and assurance from governance groups.
Cybersecurity	Recommended to all trusts.	• Requirements of the role to be discharged through the Finance and Performance Committee.	• Quarterly Cyber Security Dashboard.
Emergency preparedness	Recommended to all trusts.	• Requirements of the role to be discharged through the Finance and Performance Committee.	• Emergency Preparedness, Resilience and Response Assurance Standard. • Emergency Preparedness, Resilience and Response Annual Report.
Safeguarding	Recommended to all trusts.	• Requirements of the role to be discharged through the Quality Committee.	• Safeguarding Annual Report. • Assurance and escalations from Trustwide Safeguarding Group.
Counter fraud	No longer a statutory requirement to designate a NED champion for counter fraud.	N/A The 2004 Counter Fraud Directions included a requirement for NHS trusts to designate a NED Champion for counter fraud. However, these were revoked by the 2017 Directions on Counter Fraud, so there is no longer a statutory requirement to designate a NED champion for counter fraud. It should be noted that the Trust's Local Counter Fraud Specialist attends and submits information to each Audit Committee meeting.	
Procurement	Recommended to all trusts.	• Requirements of the role to be discharged through the Finance and Performance Committee.	• Procurement Plan updates. • North of England Commercial Procurement Collaborative update report.

NED champion role	Legal basis	NED / Sub-committee to oversee the NED Champion role	How assurance will be received
Security management – violence and aggression	Recommended to all trusts.	• Requirements of the role to be discharged through the Workforce Committee.	• Wellbeing guardian report presented at every meeting. • Escalations and assurance from governance groups. • Data within the Workforce Performance Report.
Patient experience	N/A	• Named champion to be Kaneez Khan	• Attendance at the Patient Experience and Involvement Strategic Steering Group
Sustainability	N/A	• Named champion to be Katy Wilburn	• Six-monthly updates on the Green Plan. • Meetings with the Sustainability Team each quarter. • Operational priorities quarterly update report.

2.7.4.12 Registers of Interests

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

2.7.5 KEY RISKS FOR THE ORGANISATION

Key risks for the organisation are those that have been identified as strategic risks, held on the strategic risk register. These are also set out in our Board Assurance Framework (BAF). Each of the strategic risks have an identified executive director and management lead. They are managed through the risk management, risk register and operational planning processes. They are reported to the Executive Risk Management Group, Board sub-committees and the Board through the BAF. Behind each risk is a detailed risk assessment which sets out the controls and mitigations.

During 2023/24 the Board considered and refreshed the strategic risks. It did this through Board discussions and workshops and in consultation with the Board sub-committees. The Board signed off the reviewed risks in March 2024. Following the agreement of the Trust's strategic objectives and priorities for the coming year, a comprehensive review of the BAF will take place in quarter one of 2024/25 to ensure that it is reflective of the associated high-level risks aligned to the objectives. As an interim update, all controls have been updated for each of the strategic risks to ensure that this reflects recent mitigation action. This has been completed for all strategic risks, along with an update to contributory risks scores for the end of 2023/24.

In summary the risks are described as follows:

- SR1 - If there is a breakdown of quality including safety assurance processes, we risk not being able to maintain standards of safe practice, meeting population health needs and compliance with regulatory requirements.

- SR2 - There is a risk that we fail to make the improvements outlined in the Quality Strategic Plan and that this has an impact on how we understand and act on the care of those who use our services.
- SR3 - There is a risk that we fail to deliver a culture and environment that recruits, retains, and attends to the wellbeing of staff to enable them to be their best and deliver quality services now and in the future.
- SR4 - There is a risk that a lack of financial sustainability results in the destabilisation of the organisation and an inability to meet our objectives.
- SR5 - Due to an inability to provide adequate working and care environments we risk being unable to deliver safe and effective services.
- SR6 - As a result of insecure, inadequate and poorly utilised digital technologies there is a risk the quality and continuity of services is compromised.
- SR7 - There is a risk we fail to understand, plan and deliver services that meet the health needs of the population we serve.

The Board and its sub-committees continue to keep the risks under review at each of their meetings in order to gain assurances on the actions being taken.

2.7.6 REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS OF THE USE OF RESOURCES

We published our refreshed Trust Strategy for the period 2018 to 2023 in November 2017. This set out our ambitions and plans over five years. Our strategy is relevant and fully aligned with those key themes within national and local strategies that are relevant to people using our services, carers, our staff, and our organisation as a whole. It is also aligned to the NHS Five Year Forward View and the Mental Health Five Year Forward View. All these plans have been translated into local actions through the West Yorkshire Integrated Care Board's five-year plan.

We are currently in the process of refreshing our five-year strategy – 'living our values to improve health and lives'. This is to ensure that our vision, ambition, objectives and priorities are still aligned with our local, regional and national direction of travel. Our Strategy is designed around three key elements: delivering great care; having a rewarding and supportive workplace; and providing effective and sustainable services. It is our intention to have completed the refresh during 2024/25.

To enable the delivery of our strategy we have developed a set of strategic plans. These are our delivery plans which provide detailed information about how we will achieve our ambitions and include our plans for: care services; estates; health informatics; people; and quality. Each year we have set out our annual actions for achievement as part of our planning and priorities and in 2023/24 the Board agreed its main areas of focus were workforce, digital, quality, estates and clinical services. It received refreshed plans setting out the priorities and has also received updates on progress.

The Trust produced a Financial Plan for 2023/24 that detailed the expected financial performance for the financial year. This plan was signed off by the Board of Directors prior to submission to NHS England. To be assured of progress against the plan (both financial and operational) the Board received regular updates through the Finance and Performance Committee.

The Financial Planning Group has been set up to provide routine assurance and oversight related to the quality and financial impact of existing efficiency schemes. This group normally meets on a monthly basis and is chaired by the Chief Financial Officer. The ongoing process of assessing the actual impact on quality and delivery is routinely undertaken by each responsible directorate management team meetings and escalated through to the Financial Planning Group. All accepted efficiency plans are presented to a joint meeting of the Quality, Finance and Performance and Workforce Committees where assurance is provided on the rigour of the quality and delivery impact assessment process.

The Trust operates within a well-defined corporate governance framework, with financial governance being set out through a number of documents including the Corporate Governance Policy, Standing Financial Instructions, financial procedures, and the Scheme of Delegation and Matters Reserved to the Board of Directors. This framework includes explicit arrangements for:

- setting and monitoring financial budgets

- delegation of authority for committing resources
- performance management
- achieving value for money.

The Trust receives its core accounting systems and processes from third parties. The main accounting functions are provided by NHS Shared Business Services Ltd. Assurance is provided to the Trust through the Statement of Auditing Standards (SAS) No. 70, prepared by NHS Shared Business Services independent auditors. This internationally recognised auditing standard signifies that a service organisation has had its control objectives and control activities examined by an independent accounting and auditing firm.

The payroll service is provided by the Leeds Teaching Hospitals NHS Trust (LTHT). Assurance is received from LTHT and its internal auditors regarding both the performance and controls associated with the Electronic Staff Record (ESR) system, which concludes that the payroll function is operational within an environment of effective control. The last internal audit report covered 2022/23 and was issued in May 2023.

The structures that have been applied in maintaining and reviewing economy, efficiency and effective use of resources include:

- **The Board of Directors** which receives reports on any significant events or matters that affect the Trust. The Board also receives a Chief Operating Officers' Report at each meeting which reports on performance against the Trust's regulatory, contractual and internal targets and standards; financial reports from the Chief Financial Officer; the Board Assurance Framework; and reports from the Chairs of its sub-committees including the Audit Committee.

- **Internal Audit** (NHS Audit Yorkshire) provides an independent and objective opinion on the degree to which risk management, controls and governance support the achievement of the Trust's objectives. The audit plan is derived from an assessment of risk areas within the Trust and includes all areas where Internal Audit is named in the Board Assurance Framework as a provider of assurance on the effectiveness of key controls.

  In 2023/24 the Internal Audit reports issued in the year have generated an overall opinion of significant assurance as detailed in the Head of Internal Audit Opinion. It should also be noted that within 2023/24 there were eight reports issued with a 'limited assurance' opinion and one report issued with a 'low assurance' opinion:

- LY02/2024 Safeguarding: Sexual Safety (limited) – the objective of this audit was to gain assurance that arrangements are in place for implementing the sexual safety standards and that staff are complying with the requirements of the Sexual Safety Policy.
- LY03/2024 E-Rostering (limited) – the objective of this audit was to provide assurance on the effective utilisation of the E Rostering system.
- LY05/2024 Waiting List Management (limited) – the objective of this audit was to provide assurance on the Trust's arrangements for managing waiting lists.
- LY06/2024 – Security Management (low) – the objective of this audit was to provide assurance on the Trust's arrangements for managing security risks.
- LY09/2024 Management of Policies (limited) - the objective of this audit was to provide assurance on the management of policies and procedures (with a particular focus on clinical policies).
- LY152024 – Cyber Security (limited) – External Suppliers – the objective of this audit was to provide assurance on the arrangements in place to protect IT infrastructure.
- LY23/2024 – Quality of Data for Reporting Purposes (limited) – the objective of this audit was to provide assurance on the provision and use of performance data in CareDirector.
- LY24/2024 – Job Planning (limited) – the objective of this audit was to provide assurance on the effectiveness of the medical staff job planning process and the resulting clinical activity.
- LY25/2024 – Clinical Governance (limited) – the objective of this audit was to provide assurance on the operation of the new clinical governance arrangements, including escalation of issues and risks.

- **External Audit** (KPMG) provides audit scrutiny of the annual financial statements, and looks at the Trust's economy, efficiency and effectiveness in its use of resources. External audit also provides assurance through the review of systems and processes as part of the annual audit plan.

  The audit team will carry out the audit of the 2023/24 annual accounts and will provide a report on their findings (ISA 260 Report) to the Audit Committee which is the body 'charged with governance' in the Trust.

- **The Audit Committee** is a sub-committee of the Board of Directors, the membership of which is made up of non-executive directors. It reports directly to the Board. The committee has responsibility for being assured in respect of the Trust's systems of internal control, including risk management, and for overseeing the activities of internal audit, external audit and the local counter-fraud services.

  The committee executes this role by approving the annual plans for internal and external audit and counter-fraud; receiving reports and updates against those plans; reviewing risks through the Board Assurance Framework; carrying out deep-dives into any area where further assurance is required on an area of risk

- **The Board sub-committee structure** is made up of four locally determined committees; the Quality Committee, the Mental Health Legislation Committee, Workforce Committee and the Finance and Performance Committee; each of which has responsibility for assurance in areas of clinical and financial performance and compliance. The Board also has two further statutory committees: the Nominations Committee and the Remuneration Committee. Each of the Board sub-committees is chaired by a non-executive director, with the Remuneration Committee being made up wholly of non-executive directors.

2.7.7 INFORMATION GOVERNANCE

2.7.7.1 Incidents Relating to Information Governance

The Trust has an obligation to assess information governance / data protection incidents against the NHS Digital methodology and report serious incidents to the Information Commissioner's Office (ICO) and, for the most serious or large-scale incidents, to the Department of Health & Social Care (DHSC). Aligned to the Data Protection Act (2018) & UK-GDPR, the NHS Digital incident grading methodology employs a 5 x 5 likelihood versus impact approach, assessing both the likelihood and severity of harm caused.

Since May 2018, incidents are graded as follows:

- Non-Reportable
- ICO Reportable
- ICO Reportable and DHSC Notified

Below is an analysis of our information governance incident reporting records for 2023/24. This shows that 3 incidents met the reporting threshold in the financial year.

Table 2.7B – Summary of Reportable Incidents involving personal data as reported to the ICO / DHSC in 2023/24

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
01/2023*	Inappropriate & unlawful access to patient data	Patient data stored within the Trust EPR system	1	Reported via national data breach reporting tool.

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
06/2023	Inappropriate & unlawful access to patient data	Patient data stored within the Trust EPR system	1	Reported via national data breach reporting tool.
10/2023	Inappropriate & unlawful video recording of patient on Trust premises, shared via WhatsApp	Video of patient made on mobile phone	1	Reported via national data breach reporting tool.
Further action taken	In all cases above, the Head of Information Governance has provided subject matter expert input to the management, investigatory & HR processes for the staff concerned. We will continue to monitor and assess information governance / data protection breaches. When weaknesses in systems or processes are identified, interventions will be undertaken. Low-level and near-miss events will be monitored and when there are common themes we will undertake Trust-wide communications to address these themes. A 6-monthly report is made to our Trustwide Clinical Governance Group, highlighting themes, trends, or 'hot spot' teams emerging through our analysis of incident reporting so that lessons can be learned & cascaded through service management structures. We will continue to support information governance training via the national e-learning tool. All staff undertake annual refresher training as a reminder of their information governance obligations and to raise cyber-security awareness. An information governance briefing presentation is given to new starters as part of Trust induction.			

* The earliest incident occurred January 2023, but was notified to the Head of Information Governance via DATIX when the complaint came to light in June 2023.

The Trust has a robust Information Governance function and framework that utilises subject matter expertise from Information Governance (IG), Information, Communication and Technology (ICT), Networks, Informatics, Health Records and Systems Administration. The Trust's Senior Information Risk Owner (Chief Financial Officer) and Caldicott Guardian (Medical Director) are members of the Information Governance Group. The Group makes assurance reports to the Finance and Performance Committee, thereby maintaining a reporting line to the Board as required by regulation. It maintains effective links with the Trust's clinical teams by the escalation of incidents to the Trustwide Clinical Governance Group on a six-monthly basis.

2.7.7.2 Data security

The Trust follows guidance for compliance, standards and frameworks with national and international bodies such as NHS England, ISO, CAF, NIST and best practice recommendations from security partners. Penetration Testing and vulnerability assessments are conducted regularly as mandated by the NHS Data Security & Protection (DSP) Toolkit. The Trust is also enhancing resources and technologies for Cyber Security across a wide spectrum.

The Trust recognises that our approach to information security requires both a technical and organisational approach as described in the Data Protection Principle (f).

The Trust has a highly developed and mature approach to information governance, which includes high compliance with staff IG training and a comprehensive suite of IG-related procedural documents, giving instruction and regulation to our staff. The Trust deploys the mandatory public sector safeguards recommended by the HM Government Cabinet Office "Data Handling Procedures in Government", including the operation of secure network storage, port control and the provision of encrypted digital media, and the encryption of high-risk portable computing resources.

The Trust continues to use NHSmail, facilitating secure digital communications with other NHS partners and the wider public sector and to local partner organisations operating email services with Transport Level Security. NHSmail [SECURE] also gives us secure communication channels to otherwise unsecured email endpoints.

Senior managers in ICT receive the weekly NHS Digital CareCERT broadcasts and ad-hoc high-risk reports, to maintain an awareness of current information security threats so that timely and appropriate action can be taken where necessary. We have embedded the use of a CareCERT action tracking solution, with all CareCERT-reported threats recorded, assessed for exposure and potential impact, with solutions tracked, implemented and reported monthly to the IG Group and Information Management Steering Group.

The Trust continues to use the national NHS IG Training offering, *Data Security Awareness Level 1*, which contains regularly refreshed content on IG in a healthcare context which has been aligned to UK-GDPR / DPA-2018 and content on the user aspects of information / cyber security.

We have a robust approach to business continuity (BC) / disaster recovery (DR) within ICT, with senior management taking ownership of developing BC/DR plans for their services. Work is continuing to align ICT BC/DR with clinical service system criticality. Our plans are tested using National Cyber Security Centre table-top exercises, with themes chosen as highly relevant to the current threat landscape. The Trust's Emergency Planning & Resilience Team also lead annual day-long exercises with multi-disciplinary Trustwide representative participation, the aim being to test & embed BC/DR planning & readiness collaboratively across care, ICT and other support services.

The Trust submitted a self-assessment against the NHS England Data Security and Protection Toolkit of 'Standards Met' on 30 June 2023, which was supported by the findings of the usual Internal Audit review, which appraised a sample of 13 of the compulsory Assertions – aligned to the national DSP Toolkit 'Strengthening Assurance' Audit Framework, with an outcome of 'Moderate Risk / Substantial Assurance' at audit.

The Trust is currently working towards the submission of the 2023/24 Toolkit, to be finalised with an end date of 30 June 2024, and will once again undertake a round of audit scrutiny, with standards assessed in alignment with the now compulsory national DSP Toolkit Audit Framework.

2.7.8 DATA QUALITY AND GOVERNANCE

The following steps have been put in place to assure the Board that the Quality Report presents a balanced view and that there are appropriate arrangements in place to ensure the quality and accuracy of performance information:

- performance reports to the Board of Directors, which set out performance against external requirements including NHS England targets, the System Oversight Framework and our contractual requirements with our main commissioners
- assurance regarding maintaining CQC registration requirements is managed by the Director of Nursing and Professions with assurances being made to the Quality Committee
- performance reports to the Council of Governors
- the Executive Performance Overview Group seeks to understand challenges within the service lines.

There are systems and processes in place for the collection, recording, analysis and reporting of data which will ensure this is accurate, valid, reliable, timely, relevant, and complete.

To manage the risk of there being incorrect data, the Trust has a Data Quality Policy (which was refreshed in 2023/24) which clearly identifies roles and responsibilities for the collection and input of service user information into patient records' systems. The Health Informatics Team deals with erroneous entries and there are systems and processes in place to alert relevant managers of any issues to ensure that data presented in the Quality Report is both accurate and reliable. Data quality reports are available so that data quality issues are dealt with proactively and quickly to maintain data integrity.

2.7.9 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 Leeds and York Partnership NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Quality Committee, the Finance and Performance Committee, the Workforce Committee and the Mental Health Legislation Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

2.7.10 CONCLUSION

In summary, the Trust has a sound system of internal control in place. The systems of internal control are designed to ensure delivery of the Trust's goals and strategic objectives and to manage and minimise exposure to risks and no significant internal control issues have been identified.

I am satisfied that the process for identifying and managing risks is robust and dynamic as evidenced above. I am also satisfied that the Trust is doing all it can to mitigate the risks that have been identified and has in place a sufficient system of internal control to manage the strategic and other organisational risks.

Signed Date: 20 June 2024

Dr Sara Munro
Chief Executive

SECTION 3 – THE BOARD OF DIRECTORS (further information)

3.1 INTRODUCTION

The Board of Directors is the body legally responsible for the day-to-day management of the organisation and is accountable for the operational delivery of services, targets and performance, as well as the definition and implementation of our strategy. It has a duty to ensure the provision of safe and effective services for our service users. It does this by having in place effective governance structures and by:

- Establishing and upholding our values and culture
- Setting the strategic direction
- Ensuring we provide high quality, safe, effective and service user focused services
- Promoting effective dialogue with our local communities and partners
- Monitoring performance against our objectives, targets, measures and standards
- Providing effective financial stewardship
- Ensuring high standards of governance are applied across the organisation.

The Chair of the Trust is responsible for ensuring that the Board of Directors focuses on the strategic development of our organisation and that robust governance and accountability arrangements are in place. The Chair of the Trust chairs both the Board of Directors and the Council of Governors and ensures there is effective communication between the two bodies and that, where necessary, the views of the governors are taken into account by the Board.

Whilst the executive directors individually are accountable to the Chief Executive for the day-to-day operational management of the organisation, they, along with the non-executive directors, are part of the unitary Board. They all share corporate responsibility and liability for ensuring that our Trust operates safely, effectively and economically. They do this by making objective decisions in the best interests of the Trust. The non-executive directors will assure themselves of performance by holding the executive directors to account for the achievement of the agreed goals, objectives, targets and measures.

The Board sets out the Trust's vision, values and standards of conduct, whilst ensuring that its obligations to our members and the public are understood, clearly communicated and met. This is achieved by ensuring that the Board is made up of individuals who have the appropriate balance of skills, experience, independence and knowledge to enable the Board to discharge its duties and responsibilities effectively. The Board provides entrepreneurial leadership in a transparent manner and supports Trust staff in accordance with the Trust's values and accepted standards of behaviour in public life, including the Nolan Principles of:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership.

The Board will reserve certain matters to itself and will delegate others to specific committees and executive directors. Details of this are set out in a document called *Reservation of Powers to the Board of Directors and Council of Governors and Schedule of Decisions/Duties Delegated by the Board of Directors*.

Copies of this document are available on our website using the link below:

www.leedsandyorkpft.nhs.uk

3.2 COMPOSITION OF THE BOARD OF DIRECTORS

3.2.1 Non-executive directors

Our non-executive director (NED) team is made up of seven NEDs including a non-executive Chair. NEDs provide constructive challenge and strategic guidance, offer specialist advice and lead in holding the executive directors to account. They scrutinise the performance of the executive directors in meeting agreed goals and objectives, receive information, and monitor the reporting of performance. They seek assurance on the integrity of clinical and other information, and make sure that clinical quality controls and systems of risk management and governance are robust and implemented.

More detailed information about our non-executive directors is set out in the Remuneration Report in Part A section 2.2 of this Annual Report.

3.2.2 Executive directors

The executive director team is made up of six executives, including the Chief Executive. The team is made up as follows:

Chief Executive	Medical Director
Chief Financial Officer and Deputy Chief Executive	Director of Nursing and Professions
Chief Operating Officer	Director of People and Organisational Development

More detailed information about our executive directors is set out in the Remuneration Report in Part A section 2.2 of this Annual Report.

3.2.3 Members of the Board of Directors

Information about who our members of our Board of Directors were on 31 March 2023 can be found in Part A section 2.1.1 of this Annual Report.

3.3 PROFILE OF MEMBERS OF THE BOARD OF DIRECTORS

Merran McRae, Chair of the Trust

Merran is the Chair of the Trust Board. As Chair, along with the non-executive directors, her role is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. Merran chairs the Board of Directors, the Council of Governors, the Remuneration Committee, the Nominations Committee and the governors' Appointments and Remuneration Committee.

Merran has over 30 years of experience in Local Government, leading services across housing, social care, culture and community development. Previously, she has been a statutory Director of Adult Social Care, and Chief Executive at both Calderdale and Wakefield Councils. She has a professional qualification in housing, an MBA and is also a qualified executive coach. She is a Trustee of The Yorkshire Sculpture Park and Hollybank Trust, which provides services for children and adults with profound and multiple disabilities. Merran is also a Deputy Lieutenant with the West Yorkshire Lieutenancy.

Zoe Burns-Shore, Non-executive Director (Chair of the Workforce Committee) (Date of commencement 15 November 2023)

Zoe's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is the Chair of the Workforce Committee and a member of the Quality Committee.

By holding the executive directors to account, Zoe is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. She is also able to be assured that clinical quality controls and systems of risk management and governance are robust and implemented. She contributes to improving the experience of staff, service users and carers by having a particular focus on workforce related matters including being the named Wellbeing Guardian and Doctors Disciplinary Champion.

Zoe has over 20 years of experience leading teams across many different sectors, both public and private. She specialises in developing customer and employee experience strategies that work together to create better outcomes. Zoe is passionate about organisational culture and creating environments that are diverse and inclusive, allowing people to thrive.

Dr Frances Healey, Non-executive Director (Chair of the Quality Committee)

Frances' role on the Board is to provide constructive challenge, strategic guidance, and specialist advice, including holding the Chief Executive and her executive team to account for the delivery of the organisation's agreed goals and objectives. By holding the executive directors to account she is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. She is also able to be assured that clinical quality controls, and systems of risk management and governance, are robust and implemented.

Frances is a member of the Audit Committee and is the named Maternity Board Safety Champion. She is the Chair of the Quality Committee, which has responsibility for providing assurance to the Board of Directors on the effectiveness of the Trust's quality systems and processes, the quality of the services provided by the Trust, and the control and management of quality related risks within the Trust.

Frances is a registered general nurse and mental health nurse with over 40 years of clinical, research, leadership, patient safety and quality improvement experience in national, regional, and NHS trust roles. Frances is a Visiting Professor at the University of Leeds and a Trustee of the National Confidential Enquiry into Patient Outcomes and Death (NCEPOD).

Cleveland Henry, Non-executive Director (Chair of the Finance and Performance Committee and Senior Independent Director)

Cleveland's role as a non-executive director is to hold the Chief Executive and the executive team to account for the delivery of the organisation's strategic aims and objectives. By holding the executive directors to account he is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. He is also able to be assured that clinical quality controls, and systems of risk management and governance, are robust and implemented.

Cleveland is the Chair of the Finance and Performance Committee and a member of the Audit Committee. As Chair of the Finance and Performance Committee, Cleveland makes sure that we are in a strong position to use the money we receive in the best way we can to benefit our service users and their carers, and that we take opportunities to build a sustainable organisation able to continue to provide high quality services.

He has also been appointed by the Board as the Senior Independent Director. This role means that he is available to members of the Trust and to governors in instances where they have concerns which have been raised through the usual channels of Chair, Chief Executive, Chief Financial Officer or Trust Board Secretary and these have failed to resolve the issue. He is also available where it would be inappropriate to use such channels. Cleveland is also the named Freedom to Speak Up Champion.

Cleveland has over 30 years of delivery experience in several industries, with a primary expertise in technology. He currently holds a substantial role as a Delivery Director for a Health Technology organisation. Prior to this, Cleveland was a Senior Director for the Health division of a Cloud Technology organisation and previous to that he was Programme Director at NHS Digital. Cleveland is also the Chair of the Board of Trustees for the Leeds Community Foundation.

Kaneez Khan MBE, Non-executive Director (Chair of the Mental Health Legislation Committee)

Kaneez's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is the Chair of the Mental Health Legislation Committee, a member of the Workforce Committee and the NED champion for patient experience.

By holding the executive directors to account Kaneez is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. She is also able to be assured that clinical quality controls, and systems of risk management and governance, are robust and implemented. As Chair of the Mental Health Legislation Committee, Kaneez seeks assurance that we are appropriately administering the legislation relating to mental health for our service users, in terms of both the practice and spirit of the law.

Kaneez has worked in the community for over 20 years, extensively in voluntary roles to give back to the communities of Leeds. She has previously been a Chair of Governors at Hovingham Primary School, a Non-executive Director at East Leeds PCT and a Trustee for Catch Leeds. Currently, Kaneez is the Faith and Community Coordinator at Wellsprings Together. She is also a director of Primrose Consultancy Yorkshire. To honour her work for interfaith relations, particularly during the Covid-19 pandemic, Kaneez received an MBE in the Queens New Year's Honours list of 2022.

Katy Wilburn, Non-executive Director (Date of commencement 26 June 2023)

Katy's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is a member of the Finance and Performance Committee and the Mental Health Legislation Committee. Katy is also the Trust's Non-executive Director Champion for Sustainability.

By holding the executive directors to account she is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. She is also able to be assured that clinical quality controls, and systems of risk management and governance, are robust and implemented.

For the past 12 years, Katy has worked in the social housing sector, specialising in performance monitoring, service improvement and delivery redesign. She is currently the Head of Transformation for First Choice Homes in Oldham. She is also a Non-executive Director for another social housing provider based in the North-East, Thirteen Group, where she chairs the Customer Committee, ensuring the customer voice is central to the Group's strategic decision making.

Katy's personal motive for joining the Board was her teenage son, Sam, who was diagnosed with autism at the age of three. Alongside her professional expertise, Katy's family also has 10 years of lived experience of a number of services similar to those delivered by the Trust.

Martin Wright, Non-executive Director (Chair of the Audit Committee and Deputy Chair of the Trust)

Martin's role as a non-executive director is to hold the Chief Executive and the executive team to account for the delivery of the organisation's strategic aims and objectives. He is the Chair of the Audit Committee and a member of the Finance and Performance Committee.

By holding the executive directors to account he is able to be assured that services are provided in the most safe, timely, equitable, efficient, effective and patient-centred way. As the Chair of the Audit Committee, he ensures that the committee looks at the effectiveness of our governance (corporate and clinical), financial reporting, health and safety, risk management and audit processes and the Trust's system of internal controls.

Martin was the Deputy Chief Financial Officer for DLA Piper International, one of the largest global law firms, where he was responsible for all aspects of financial reporting and control, including

treasury, taxation and financial planning. He managed an international team of finance staff which provided support for more than 4,000 lawyers operating in more than 30 countries around the world.

Dr Sara Munro, Chief Executive

Sara leads the team of executive directors who, along with the chair and the non-executive directors, make up our Board of Directors. The Board is responsible for setting the strategic direction for the organisation. Sara is also a senior leader within a wider group of chief executives and chief officers that come together to look at health and social care provision across Leeds and West Yorkshire. Sara is the Senior Responsible Officer for Mental Health, Learning Disabilities and Autism within the West Yorkshire Health and Care Partnership and is the sector representative on the West Yorkshire Integrated Care Board. She is also the executive lead on Workforce for the health and care partners in Leeds. Sara is a Trustee of The Workforce Development Trust and chair of the North East Yorkshire and Humber Mental Health, Learning Disability and Autism Provider Forum.

Sara's passion is to improve the experience of service users and carers by ensuring we set the right objectives for our organisation which reflect the needs of our service users, carers and local communities. She will then make sure we provide the right support, including resources, for our staff to deliver the best possible mental health and learning disability services for the people we serve; that we monitor how well we are doing; and that we include service users, carers, communities and our staff in the decisions we make about our services. Sara is also passionate about partnership working which can bring great benefits for the care we provide and is reflected in the wider roles she holds within the system.

Sara has been the Chief Executive since 2016. She started her career in the NHS as a student nurse and agency nursing assistant. She is a registered mental health nurse and her clinical work was spent in inpatient mental health settings and has worked across a range of NHS mental health providers in the North West of England.

Sara has a PhD which looked at attitudes of acute mental health nurses and their impact on service users' experience of care. Prior to working at our Trust she was the Director of Quality and Nursing / Deputy CEO in Cumbria.

Joanna Forster Adams, Chief Operating Officer

As Chief Operating Officer Joanna works with Trust staff, leaders and managers, together with partners and stakeholders across the North East and Yorkshire, to deliver care across all of our services. She leads on service development and integration, ensuring that we respond to changes in the needs of the people we serve, working alongside health and care statutory and voluntary colleagues. Joanna is also responsible for major service change and supporting people to encourage and enable improvement on an ongoing basis. At a West Yorkshire level, Joanna leads the Children and Young Peoples' Service provider collaborative and plays an active role in the broader Mental Health, Learning Disability and Autism Programme.

With statutory responsibility for making sure we plan for and respond to an emergency or crisis; Joanna led our response to the Covid-19 pandemic and our Covid-19 vaccination programme. She is the Executive Lead in our work which aims to achieve health equity for the people who access our services or need our support.

Joanna contributes to improving the experience of service users and carers by managing and leading on the delivery of high-quality care and services. She reports on what we are doing well and where we do not meet the standards of care, access or delivery which provides high quality care for our service users. She ensures that an 'at a glance dashboard' is available to make the information easier to understand. She, and her team, pay particular attention to the problems that directly affect service users and their carers and look for ways to improve the quality of what we do.

Joanna joined the Trust in July 2017. She was previously Executive Director of Operations for Mental Health and Community Services in the North West of England. She has worked in the NHS since 1984 and has experience of clinical and corporate services in hospitals, community and mental health

organisations in the North East of England. She gained a Master's in Business Administration from Durham University and is a graduate of the NHS Leadership Academy Nye Bevan programme.

Her motivation is drawn from the passion and determination shown by staff, stakeholders, service users and carers to drive improvement in mental health and learning disability care. With over 20 years as a senior NHS manager and leader, she aims to support staff to be the best they can be by prioritising their development, supporting their wellbeing, creating a culture of inclusion, and enabling people to do the right thing for the people who need our help.

Dawn Hanwell, Chief Financial Officer and Deputy Chief Executive

Dawn leads a number of departments which include finance and contracting, information management and technology, estates and facilities, and procurement (including mHabitat and the North of England Commercial Procurement Collaborative).

The functions she oversees make a significant contribution to the work of our Trust's frontline staff, in order to support them to focus on working directly with service users and carers. These functions contribute by:

- Looking after the finances and advising on what we can spend our resources on, including how to buy goods and services within the limits which we are set
- Dealing with our commissioners to get the best possible income settlement to provide the services we deliver
- Maintaining the estate to the best possible standard for delivering safe care and providing a good environment for staff
- Maintaining and continuously improving the technology, tools and infrastructure which support our work on a daily basis.

Dawn was appointed to this post on 1 August 2012, having previously worked at our Trust as the Deputy Director of Finance between 2003 and 2007. Her previous role was as Director of Finance and Information at Barnsley Hospital NHS Foundation Trust. She started her career in the NHS as a financial management trainee and has worked across a number of NHS organisations, mainly on the provider side but also briefly in commissioning and at the Department of Health. She has a wide range of experience mostly in finance but more recently managing estate and information.

Her first degree is in Theology and Religious Studies and she qualified as an accountant with the Chartered Institute of Public Finance Accountancy (CIPFA) in 1990.

Dr Chris Hosker, Medical Director

Chris has been our Medical Director since 1 August 2020. He is responsible for applying the best medical practice and the highest quality of care for our service users. He works closely with Nichola Sanderson, our Director of Nursing and Professions, and Joanna Forster Adams, our Chief Operating Officer, to oversee the quality improvement, regulation and delivery of our services and shape these to best meet future needs. Improving the quality of our clinical services in way that reflects the LYPFT STEEEP (*safe, timely, efficient, equitable, effective and patient centred)* quality framework is a key part of Chris' role.

Chris studied medicine at Nottingham University and qualified in 2000 before moving to Leeds in 2001 to commence specialist training in psychiatry. During his psychiatric training he worked in a range of services across the region, also training briefly in a Crisis Service in Melbourne, Australia. While training he became a Member of the Royal College of Psychiatry, completed a Masters in Clinical Psychiatry and gained a Post Graduate Diploma in Mental Health Law.

He commenced his first consultant post in 2008, which was in the Leeds Liaison Psychiatry Service and developed a special interest in palliative care psychiatry, multi-disciplinary approaches to persistent physical symptoms and the psychological aspects of liver transplantation. He worked closely with the British Psycho-Oncology Society and has been the Academic Secretary for the Regional Division of the Royal College of Psychiatry.

In addition to his clinical interests, Chris also developed a particular focus on clinical leadership and the conditions for organisational improvement. He has held a variety of leadership positions within the Trust, including Associate Medical Director for Mental Health Legislation, Clinical Lead for Liaison Psychiatry and Lead Psychiatrist. He was also supported to enhance his leadership experience through the NHS Leadership Academy where he has completed the Shadow Board and Aspiring Medical Director Programmes as well as a Masters in Health Care Leadership. The latter culminated in a research dissertation on psychological safety in LYPFT. Chris is also the Clinical Chair for the Mental Health Care Delivery Board in Leeds and leads the Perinatal Mental Health Provider Collaborative across Yorkshire and Humber.

Darren Skinner, Director of People and Organisational Development

Darren was appointed as our Interim Director for People and Organisational Development (OD) on 10 May 2021 and was appointed substantively on 1 August 2022. Darren is responsible for leading our Workforce and OD Team to ensure they have the right support and structures in place, helping our workforce through Covid-19 recovery and overseeing the delivery of the Trust's People Plan in which staff wellbeing and equality and inclusion continue to be key priorities.

Darren started his career as a nurse, working in adult intensive care and later neonatal and paediatric intensive care at Birmingham Children's Hospital. He was an active and experienced local Royal College of Nursing (RCN) representative and went on to work for the RCN as a Regional Officer, covering healthcare across North London before embarking on his HR career.

As a senior human resources practitioner he has worked at Guy's and St Thomas' NHS Foundation Trust leading an employment relations team before going on to work for the City of London Police, ultimately as HR Director, followed by the British Transport Police.

He worked with the Government of Jersey as an Interim HR Director for the Health and Community Services department, supporting a significant change programme and the development of the 'Jersey Care Model', as well as advising the Minister for Health and Social Services on workforce and HR policy related issues. Darren's most recent assignment was a significant staff engagement project with NHS Blood and Transplant before taking the role at LYPFT. He is also a Director for Skinner Consulting Ltd.

Nichola Sanderson, Director of Nursing and Professions

Nichola was delighted and privileged to be appointed as the Director of Nursing and Professions in 2023. Nichola has over 20 years of experience in Mental Health Nursing, having joined LYPFT as Deputy Director of Nursing in 2017.

Nichola leads on the professional development and standards of staff within the Trust which covers Nursing, Allied Health Professionals (AHPs), Social Workers, and Psychology. Her particular focus is to ensure that quality of care is of a high standard across the organisation, and she works closely with Dr Chris Hosker, our Medical Director, to oversee the current quality and delivery of our services and shapes these to best meet future needs. In addition, Nichola is our Director of Infection, Prevention and Control and plays a key role in keeping our service users and staff safe and free from the spread of infection. Nichola also has responsibility for patient safety and is passionate about improving the care for service users and staff across our wide and varied services.

Nichola graduated from the University of Manchester with a Higher National Diploma in Mental Health Nursing in 2002 and started her career as Mental Health Acute Ward Staff Nurse at Greater Manchester West NHS Foundation Trust. In 2009, she took up a post of Modern Matron at Pennine Care NHS Foundation Trust, before moving on to be a Nurse Consultant at Cumbria Partnership NHS Foundation Trust in 2011. There she helped set national benchmarks and clinical standards for good practise in unscheduled mental health care and led on suicide prevention. In 2014, Nichola was appointed as the Associate Director of Nursing at Cumbria Partnership NHS Foundation Trust, taking responsibility for the provision of clinical leadership and management across inpatient and community services, as well as quality standards in safety, effectiveness, and patient experience. She joined Leeds and York Partnership NHS Foundation Trust as Deputy Director of Nursing in April 2017. In this

role Nichola worked closely with her operational and clinical colleagues to strengthen leadership across the organisation and embed clinical governance across the Trust. Nichola played a key part in the Trust's response to the Covid-19 pandemic with a focus on keeping service users and staff safe. She is currently working with her team on overseas recruitment, the implementation of the Patient Safety Incident Response Framework (PSIRF) and improvement in safety planning and risk assessment.

Anyone wanting to contact our directors can find their contact details on our website using the following link: www.leedsandyorkpft.nhs.uk.

3.4 MEETINGS OF THE BOARD OF DIRECTORS

Our Board meets every other month with the exclusion of August and December although in 2023/24 the Board held one extraordinary private meeting in June. All meetings are held in public but items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the Constitution) will be taken in a private session.

In 2023/24 the Board of Directors met on seven occasions. The table below shows directors' attendance at those meetings. Attendance at Board meetings is also reported to the Council of Governors at each of its meetings.

Table 3A – Attendance at Board of Directors' meetings during 2023/24

Name	Meetings eligible to attend	25 May 2023	22 June 2023 (extraordinary)	27 July 2023	28 September 2023	30 November 2023	25 January 2024	28 March 2024
Non-executive directors								
Zoe Burns-Shore	3					✓	✓	-
Helen Grantham	4	✓	✓	✓	✓			
Dr Frances Healey	7	✓	✓	✓	✓	✓	✓	✓
Cleveland Henry	7	✓	-	-	✓	✓	-	✓
Kaneez Khan	7	✓	✓	✓	✓	✓	✓	✓
Merran McRae	7	✓	✓	✓	✓	✓	✓	✓
Katy Wilburn	6		✓	✓	✓	-	✓	✓
Martin Wright	7	✓	✓	✓	✓	✓	✓	✓
Executive directors								
Dr Sara Munro	7	✓	✓	✓	✓	✓	✓	✓
Joanna Forster Adams	7	✓	✓	✓	✓	✓	✓	✓
Dawn Hanwell	7	✓	✓	✓	✓	✓	✓	✓
Dr Chris Hosker	7	✓	✓	✓	✓	✓	✓	✓
Nichola Sanderson	6		✓	✓	✓	✓	✓	-
Darren Skinner	7	✓	✓	✓	✓	✓	✓	✓
Cathy Woffendin	1	✓						

✓ Shows attendance
\- Indicates those Board members who sent apologies during 2023/24
Indicates when a Board member was not eligible to attend the meeting.

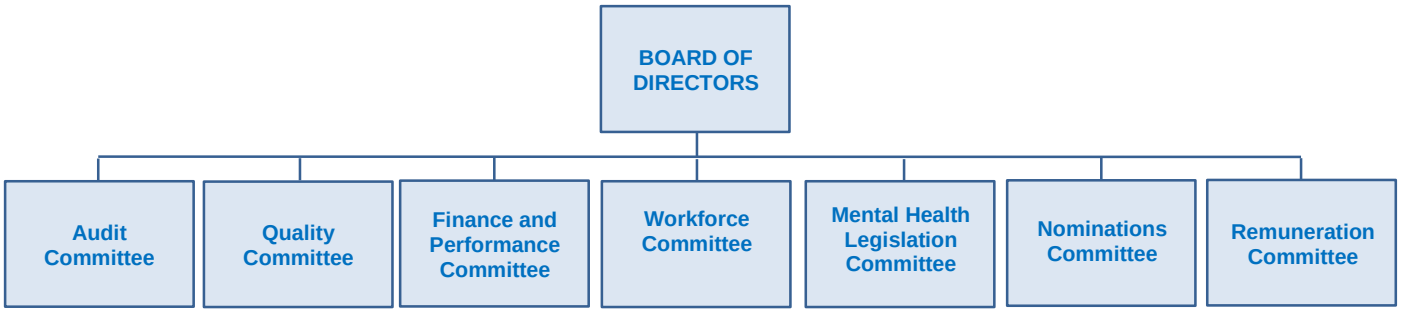
3.5 EVALUATION OF THE BOARD OF DIRECTORS

3.5.1 The Board of Directors and members of the Board

Details relating to the evaluation of the members of the Board of Directors can be found in Part A section 2.2.3.2 of this Annual Report.

3.5.2 Board sub-committees

The Board's sub-committee structure is made up of the: Audit Committee, Quality Committee, Finance and Performance Committee, Workforce Committee, Mental Health Legislation Committee, Remuneration Committee, and Nominations Committee. Each of these committees receives secretariat support from the Corporate Governance Team.



Evaluation of the Board sub-committees is carried out using an internal evaluation questionnaire, with the exception of the Audit Committee, which is evaluated using the Healthcare Financial Management Association's (HFMA) NHS Audit Committee Effectiveness Checklist. The outcome is reviewed by the committee and a report on any proposed changes that may be required is made to the Board of Directors by the chair of the committee. If required, the Terms of Reference would be changed and ratified by the Board.

More information on each Board sub-committee, including the number of meetings and individual director attendance, can be found on our website using the link below:

https://www.leedsandyorkpft.nhs.uk/about-us/board-of-directors/board-sub-committees/

3.6 THE AUDIT COMMITTEE

The Audit Committee is the primary governance and assurance committee for the Trust. It is a formal sub-committee of the Board of Directors.

The Audit Committee seeks high-level assurance and provides an independent and objective review on the effectiveness of our governance (corporate and clinical), health and safety and risk management processes and it assures the Board of Directors in respect of internal controls. It receives assurance from executive directors and other areas of the organisation through reports, both regular and bespoke. It validates the information it receives through the work of Internal Audit and External Audit, again through reports and attendance by key personnel at its meetings to present papers on specific matters. Assurance is also gained through the knowledge that non-executive directors bring from other areas of their work, not least their own specialist areas of expertise, visiting services, and talking to staff and governors.

The Audit Committee has responsibility for ensuring that, should our auditors (KPMG) carry out any non-audit work, their independence is maintained. The committee will do this by reviewing and approving the scope of the work and the fees charged prior to the work being undertaken.

The substantive membership of the Audit Committee is made up at any one time of three non-executive directors. During 2023/24, the following members served on the committee as substantive members: Martin Wright, who was the chair of the committee, Dr Frances Healey and Cleveland

Henry. The other non-executive directors are invited to attend on an ad-hoc basis as and when they feel it is appropriate.

In regular attendance at committee meetings are the Chief Financial Officer, and the Associate Director for Corporate Governance. There is also representation from our external auditors (KPMG) and NHS Audit Yorkshire for internal audit and counter-fraud services.

The table below shows the number of Audit Committee meetings in 2023/24 and attendance by each non-executive director member.

Table 3B – Attendance at Audit Committee meetings in 2023/24

Name	Tuesday 18 April 2023	Monday 19 June 2023	Tuesday 18 July 2023	Tuesday 17 October 2023	Friday 17 November 2023	Tuesday 16 January 2024
Substantive non-executive director members						
Martin Wright (chair of the committee)	✓	✓	✓	✓	✓	✓
Dr Frances Healey	✓	✓	✓	✓	✓	✓
Cleveland Henry	✓	✓	✓	✓	✓	✓

✓ Shows attendance
\- Indicates those members who sent apologies during 2023/24
Indicates when a member was not eligible to attend the meeting.

During 2023/24 the Audit Committee fulfilled the role of the primary governance and assurance committee and carried out its role primarily through:

- The approval of the work plans (annual and strategic) for internal audit and counter fraud
- The approval of the work plan for the annual audit of the Annual Accounts and the Annual Report
- Regular progress reports and annual reports from internal audit and counter fraud
- Regular updates from the external auditors on current sector developments and their audit findings
- ISA 260 report on the outcome of the annual audit of annual accounts
- Assessing the effectiveness of external and internal audit by reviewing periodic reports from the auditors and monitoring the pre-agreed key performance indicators.

At its June 2023 meeting the committee reviewed the Annual Report, Annual Accounts, the Annual Governance Statement and the Head of Internal Audit Statement for 2022/23. It was assured in relation to each of these documents and recommended to the Board that they should be adopted.

A separate annual report for the Audit Committee is produced and submitted to the Board of Directors for assurance and is also submitted to the Council of Governors for information. This can be found on our website using the link below:

www.leedsandyorkpft.nhs.uk

Further information about the sufficiency of our internal control processes can be found in the Annual Governance Statement in Part A section 2.7 of this Annual Report.

SECTION 4 – THE COUNCIL OF GOVERNORS

4.1 COMPOSITION OF THE COUNCIL OF GOVERNORS

The Council of Governors is the body that gives the public a voice in helping to shape and influence the future of mental health and learning disability services provided by our Trust. It is made up of people who have been elected from and by our membership and who are representative of our constituencies. It also includes people appointed from a range of partner organisations. The Council of Governors is chaired by the Chair of the Trust, who ensures a link between the Council and the Board of Directors; the Deputy Chair of the Trust is also the Deputy Chair of the Council of Governors.

NHS England requires each foundation trust to have a Lead Governor. Les France has carried out the role of Lead Governor since 1 November 2021. The main duties of the Lead Governor are to: be a point of contact for governors; make a presentation at the Annual Members' Meeting accounting for the work of the Council over the past year; and to be involved in the appraisal of the Chair of the Trust (with the Senior Independent Director) and the other non-executive directors (with the Chair of the Trust).

During 2023/24 no amendments were made to the composition of seats within our Council of Governors. The composition ensures the Council is representative of our members and the public. Table 4A shows the composition of seats within our Council of Governors.

Table 4A – Composition of our Council of Governors

	Constituency name	Number of seats
ELECTED	Public: Leeds	6
	Public: York and North Yorkshire	1
	Public: Rest of England and Wales	1
	Service User: Leeds	4
	Service User: York and North Yorkshire	1
	Carer: Leeds	3
	Carer: York and North Yorkshire	1
	Service User and Carer: Rest of the UK	1
	Clinical Staff: Leeds and York & North Yorkshire	4
	Non-Clinical Staff: Leeds and York & North Yorkshire	2
APPOINTED	Director for Children and Families Programme, West Yorkshire and Harrogate ICS	1
	Volition Leeds – mental health representative	1
	Volition Leeds – learning disabilities representative	1
	York Council for Voluntary Services	1
	Leeds City Council	1
	City of York Council	1
	TOTAL	**30**

Governors are either elected or appointed to seats on the Council of Governors for a period of up to three years. Elected governors consist of public, service user, carer, and staff (clinical and non-clinical) governors. Appointed governors are nominated individuals from partner organisations. Elected governors can stand to be re-elected for three terms of office holding a seat for up to a maximum of nine years. Elections are carried out in accordance with the election rules in Annex 5 of our Constitution. Further details about the elections we have held during 2023/24 can be found below in section 4.2.1.

Appointed governors can also be on our Council for a maximum of nine years. This period is made up of three terms each of up to three years. Tables 4B and 4C list those governors that have been members on the Council of Governors during 2023/24.

Table 4B – Elected governors

Name	Constituency	Maximum term of office elected for	Date appointed from	Date term of office ends / ended	Number of terms served
Ian Andrews	Staff: Non-clinical	3 years	06.05.21	06.05.24	1st
Oliver Beckett	Public: Leeds	3 years	23.07.22	22.07.25	1st
Caroline Bentham	Carer: Leeds	3 years	09.10.20	09.10.23	1st
Nicola Binns	Staff: Clinical	3 years	27.03.23	26.03.26	1st
Alex Cowman*	Staff: Non-clinical	3 years	23.07.22	21.09.23	1st
Rita Dawson*	Service User: Leeds	3 years	09.10.20	15.05.23	1st
Les France	Public: Leeds	3 years	23.07.22	22.07.25	3rd
Rachel Gibala	Service User: Leeds	3 years	06.05.21	06.05.24	1st
Oliver Hanson	Staff: Clinical	3 years	06.05.21	06.05.24	1st
Gail Harrison	Staff: Clinical	3 years	06.05.21	06.05.24	1st
Kirsty Lee*	Public: Leeds	3 years	25.09.17	20.04.23	2nd
John Manson*	Service User: York and North Yorkshire	3 years	23.07.22	28.04.23	1st
Rebecca Mitchell*	Public: Leeds	3 years	23.07.22	28.09.23	1st
Ivan Nip	Public: Leeds	3 years	06.05.21	06.05.24	2nd
Peter Ongley	Carer: Leeds	3 years	27.03.23	26.03.26	1st
Becky Oxley**	Service User: Leeds	3 years	09.10.23	08.10.26	1st
Amy Pratt	Staff: Clinical	3 years	27.03.23	26.03.26	1st
Joseph Riach	Service User: Leeds	3 years	06.05.21	06.05.24	1st
Bryan Ronoh*	Carer: Leeds	3 years	06.05.21	26.05.23	1st
Jon Salway**	Carer: Leeds	3 years	09.10.23	08.10.26	1st
Bradley Taylor*	Service User: Leeds	3 years	27.03.23	20.04.23	1st

* Indicates those governors who stepped down early during 2023/24, before the end of their term of office
** Indicates those governors who were newly elected or re-elected part-way through 2023/24

Table 4C – Appointed governors

Name	Constituency	Maximum term of office elected for	Date appointed from	Date term of office ends / ended	Number of Terms served
Councillor Ian Cuthbertson**	City of York Council	3 years	19.06.23	18.06.26	1st
Councillor Claire Douglas*	City of York Council	3 years	09.06.22	17.05.23	1st
Matthew Knight	York Council for Voluntary Services	3 years	19.08.22	19.08.25	1st
Sayma Mirza*	Director for Children and Families Programme, West Yorkshire and Harrogate ICS	3 years	05.05.22	18.07.23	1st
Gabriella Obeng Nyarko	Volition - Leeds (mental health representative)	3 years	24.01.23	23.01.26	1st
Tina Turnbull*	Volition - Leeds (learning disabilities representative)	3 years	02.06.20	31.05.23	1st
Councillor Fiona Venner	Leeds City Council	3 years	14.06.21	13.06.24	1st

* Indicates those governors who stepped down early during 2023/24, before the end of their term of office
** Indicates those governors who were re-appointed or newly appointed part-way through 2023/24

4.2 CHANGES TO THE COUNCIL OF GOVERNORS

During 2023/24 there were a number of changes to the individuals holding the position of governor on our Council of Governors. The Board of Directors would like to thank all those who either stepped down early from office or came to the end of their term of office and note the valuable contribution they made to the work of the Council. These are: Kirsty Lee, Bradley Taylor, John Manson, Rita Dawson, Cllr Claire Douglas, Bryan Ronoh, Tina Turnbull, Sayma Mirza, Caroline Bentham, Alex Cowman and Rebecca Mitchell.

4.2.1 Elected governors

Elections are carried out in accordance with the election rules as set out in Annex 5 of the Trust's Constitution (elected governors are in the constituencies set out in Table 4A). To be eligible to stand for election you must be a member of our Trust. Where a vacancy occurs in a constituency and the Trust agrees to hold an election, members in that constituency are invited to nominate themselves, and where more people stand for election than there are seats available it will be necessary to hold a ballot which is held on a first-past-the-post system of voting. In 2023/24 we held two rounds of elections in summer 2023 and spring 2024.

4.2.1.1 Elections held in summer 2023

During summer 2023 an election was held to the Council of Governors. This was due to there being a number of vacant seats already on the Council caused either by governors stepping down early or because the seats had been vacant for some time. The following seats were included in the election:

Table 4D – Seats included in the summer 2023 election

Constituency	Name of constituency	Number of seats included in the election
Public	Leeds	2
Public	York and North Yorkshire	1
Public	Rest of England and Wales	1
Carer	Leeds	2
Carer	York and North Yorkshire	1
Service user	Leeds	2
Service user	York and North Yorkshire	1
Service user and carer	Rest of UK	1

This round of elections commenced on the 24 July 2023 and concluded on the 6 October 2023. We were successful in filling seats as follows:

Table 4E – Elected unopposed

Name	Constituency elected to:
Becky Oxley	Service user: Leeds
Jon Salway	Carer: Leeds

At the end of the election, we still had nine vacancies in the following constituencies:

- Public: Leeds (two seats)
- Public: York and North Yorkshire (one seat)
- Public: Rest of England and Wales (one seat)
- Carer: Leeds (one seat)
- Carer: York and North Yorkshire (one seat)
- Service user: Leeds (one seat)
- Service user: York and North Yorkshire (one seat)
- Service user and carer: Rest of UK (one seat)

4.2.1.2 Elections held in spring 2024

At the time of writing the report the Trust is running an election to the Council of Governors. This is due to there being a number of vacant seats already on the Council caused either by governors stepping down early or because the seats have been vacant for some time. The following seats are included in the election:

Table 4F – Seats included in the spring 2024 election

Constituency	Name of constituency	Number of seats included in the election
Public	Leeds	4
Public	York and North Yorkshire	1
Public	Rest of England and Wales	1
Carer	Leeds	1
Carer	York and North Yorkshire	1
Service user	Leeds	3
Service user	York and North Yorkshire	1
Service user and carer	Rest of UK	1
Staff clinical	Leeds and York & North Yorkshire	2
Staff non-clinical	Leeds and York & North Yorkshire	2

This round of elections commenced on the 14 March 2024 and will conclude on the 29 May 2024.

4.2.2 Appointed governors

Appointed governors are nominated by those organisations we have identified as our partner organisations, for the purpose of the Council of Governors, and are set out in table 4A.

During 2023/24 there were four changes to our appointed governors. Cllr Claire Douglas (City of York Council), Sayma Mirza (Director for Children and Families Programme, West Yorkshire and Harrogate ICS) and Tina Turnbull (Volition Leeds - learning disabilities representative) stepped down during their first terms of office. Cllr Ian Cuthbertson commenced his first term of office as an appointed governor on the Council of Governors.

The Board of Directors would like to thank all the appointed governors it has worked with through the year for their hard work, supporting the development of the services we provide, and we would like to welcome those newly appointed to our Council.

4.3 MEETINGS OF THE COUNCIL OF GOVERNORS

The Council of Governors has four formal business meetings, although during 2023/24 the Council held one extraordinary private meeting in September for the ratification of the appointment of a new non-executive director, Zoe Burns-Shore. All general Council meetings are held in public, although items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the Constitution) will be taken in a private session. Notice of public Council of Governors' meetings along with the agenda and papers are published on our website www.leedsandyorkpft.nhs.uk.

The governors also hold an Annual Members' Meeting. This was held in person in July 2023. This is a public meeting and members are encouraged to attend to hear more about the work of the Trust and the Council of Governors.

Table 4J below details the number of meetings attended by each governor during 2023/24, including the Annual Members' Meeting. This is shown out of a maximum of six meetings. If a governor has either resigned from or joined the Council of Governors part-way through the financial year, the number of meetings they were eligible to attend has been amended to reflect this (those meeting dates which have been blanked out in the table indicate that a governor was not eligible to attend the meeting).

Table 4G – Number of meetings attended by each governor

			COUNCIL BUSINESS MEETINGS ATTENDED					ATTENDANCE AT THE ANNUAL MEMBERS MEETING
Name	**Appointed (A) or elected (E)**	Number of business meetings eligible to attend	**9 May 2023**	**4 July 2023**	**18 September 2023 (ExtraO)**	**2 November 2023**	**1 February 2024**	**25 July 2023**
Ian Andrews	E	5	✓	✓	✓	✓	✓	✓
Oliver Beckett	E	5	-	-	-	✓	✓	-
Caroline Bentham	E	3	-	-	-			-
Nicola Binns	E	5	✓	✓	✓	-	✓	-
Alex Cowman*	E	3	✓	-	-			-
Councillor Ian Cuthbertson**	A	4		✓	✓	✓	-	✓
Rita Dawson*	E	1	-					
Councillor Claire Douglas*	A	1	-					
Les France	E	5	-	✓	✓	✓	✓	✓
Rachel Gibala	E	5	✓	-	-	✓	-	✓
Oliver Hanson	E	5	-	-	-	-	-	-
Gail Harrison	E	5	✓	✓	✓	-	✓	✓
Matthew Knight*	A	5	✓	-	-	✓	✓	✓
Kirsty Lee*	E	0						
John Manson*	E	0						
Sayma Mirza*	A	2	-	✓				
Rebecca Mitchell*	E	3	-	-	-			-
Ivan Nip	E	5	✓	✓	✓	✓	✓	✓
Gabriella Obeng Nyarko	A	5	✓	✓	-	✓	✓	✓
Peter Ongley	E	5	✓	✓	✓	✓	✓	✓
Becky Oxley**	E	2				✓	-	
Amy Pratt	E	5	✓	✓	✓	✓	✓	-
Joseph Riach	E	5	-	✓	-	-	✓	-
Bryan Ronoh*	E	1	✓					
Jon Salway**	E	2				✓	✓	
Bradley Taylor*	E	0						
Tina Turnbull*	A	1	-					
Councillor Fiona Venner	A	5	✓	✓	✓	-	-	✓

✓ Shows attendance
\- Indicates those governors who sent apologies during 2023/24
* Indicates those governors who stepped down during 2023/24, before the end of their term of office and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)
** Indicates those governors who were newly elected or appointed during 2023/24 and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)

4.4 DUTIES OF THE COUNCIL OF GOVERNORS

The overarching role of the Council of Governors is to make our Trust publicly accountable for the services it provides. It does this by representing the interests of members as a whole and those of the public. It informs our forward plans and holds the non-executive directors (NEDs) to account, individually and collectively, for the performance of the Board. Governors are not directors and the duty of holding the NEDs to account does not mean governors are responsible for the decisions taken by the Board of Directors (members of the Board of Directors, both executive and non-executive directors collectively, share corporate responsibility and liability for those decisions).

Further information about the work of the Board of Directors can be found in Part A section 3 of this Annual Report.

In addition, there are a number of other key statutory tasks the Council of Governors must also carry out. These include:

- Appointing (and if necessary, removing) the Chair of the Trust and non-executive directors
- Approving the appointment of the Chief Executive
- Appointing (and if necessary, removing) the external auditor
- Receiving the Annual Report and Accounts, and the auditor's report on these
- Approving amendments to the constitution
- Taking decisions on significant transactions and on any changes to non-NHS income.

If during the course of the Board of Directors and the Council of Governors carrying out their respective duties, it becomes apparent that there is a dispute between the Council and the Board there is a formal dispute resolution process which is set out in the Constitution at Annex 7 paragraph 10.

To help governors carry out their role, the Board of Directors also has a number of statutory duties placed on it including: sending a copy of the agenda of Board meetings to governors before each meeting and copies of minutes of meetings as soon as practicable after the meeting; and ensuring that governors have the skills and knowledge they require to undertake their role.

The Council will reserve certain matters to itself and will delegate others to specific committees and individuals. Details of this are set out in a document called *Reservation of Powers to the Board of Directors and Council of Governors and Schedule of Decisions/Duties Delegated by the Board of Directors*.

4.5 WORKING TOGETHER

The work of the Board of Directors and of the Council of Governors is closely aligned. The Chair of the Trust, supported by the Associate Director for Corporate Governance, provides a formal link between the two bodies and it is the Chair's responsibility to ensure an appropriate flow of information.

The Council of Governors has a primary relationship with the non-executive directors (NEDs) who are encouraged wherever possible to attend Council meetings to get to know the governors better and to hear first-hand their views and those of members. One way in which this is further supported is through the annual Board to Council meeting. This private meeting includes a number of the Trust's key strategic areas of focus on the agenda. This meeting further enhances the relationship between the Council and the NEDs and provides an opportunity for the governors to work more closely with NEDs and other members of the Board. Governors are also invited to observe a number of the Board sub-committee meetings and are encouraged to observe at least one public Board of Directors' meeting each year. This provides further opportunity for the governors to witness the NEDs holding the executive directors to account for the performance of the Board.

The following table shows those Council meetings in 2023/24 that were attended by non-executive directors.

Table 4H – Attendance by non-executive directors at Council of Governors' meetings

Name	9 May 2023	4 July 2023	2 November 2023	1 February 2024
Merran McRae	✓	✓	✓	✓
Zoe Burns-Shore			✓	-
Helen Grantham	-	✓	✓	
Dr Frances Healey	✓	-	✓	✓
Cleveland Henry	✓	✓	✓	✓
Kaneez Khan	✓	✓	✓	✓
Katy Wilburn		-	-	-
Martin Wright	✓	✓	✓	✓

4.6 SUB-COMMITTEES OF THE COUNCIL OF GOVERNORS

The Council of Governors may not delegate any of its responsibilities; however, it can choose to carry out its duties either through individual governors or through groups and committees. In light of this, the Council of Governors has formed the Appointments and Remuneration Committee (a committee required in statute). This committee reports formally to the Council of Governors.

- **The Appointments and Remuneration Committee** – this committee reviews and makes recommendations to the Council of Governors regarding the appointments process for vacant posts within the non-executive director team and also sets the level of remuneration for NEDs. Further information about the work of this committee during 2023/24 can be found in the Remuneration Report in Part A section 2.2 of this Annual Report.

4.7 THE REGISTER OF GOVERNORS' INTERESTS

Under the provisions of the Constitution and as described in the provider licence, we are required to have a register of interests to formally record declarations of interests of members of the Council of Governors. The register will include details of all directorships and other relevant material interests which have been declared. It also asks governors to declare that they are of sound character and background to hold a position in public office.

On appointment and annually thereafter, members of the Council of Governors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interest and those arising from their membership of the Council of Governors. Members of the Council of Governors are also required to declare any conflict or pecuniary interests that arise in the course of conducting business at each meeting. Each year governors will complete a new declaration of interest form to ensure the most up-to-date position is declared. These annual declarations are also reported to the Council of Governors.

The Register of Interests is maintained by the Associate Director for Corporate Governance and is available for inspection on the Trust's website. The Associate Director for Corporate Governance can be contacted by telephone on 07815924185 or by email at clare.edwards34@nhs.net.

SECTION 5 – MEMBERSHIP

5.1 OUR CONSTITUENCIES AND ELIGIBILITY TO JOIN

On 31 March 2024, the membership was 14,314. This has been steadily maintained throughout the year. The tables below illustrate the breakdown, by constituency, of the total number of members. We have three membership constituencies: public; service user and carer; and staff. A breakdown of these is shown at table 5A.

There are three public constituencies: Leeds; York and North Yorkshire and Rest of England and Wales. These constituencies are made up of a number of local government electoral areas. This is in accordance with the NHS Act 2006. If a person wants to join a public constituency the relevant one will be determined by the address at which they live.

The Service User and Carer Constituency is divided into five constituencies for the geographical areas of: Leeds; York and North Yorkshire and the rest of England and Wales. Again, these constituencies follow the local government electoral boundaries. Anyone who has used our services in the last 10 years or cares for someone who has used our services can join the Service User and Carer Constituency. An individual's home address will determine which constituency they join.

The Staff Constituency is divided into two categories: Staff: Clinical and Staff: Non-clinical. Any individual who is employed by the Trust under a contract of employment will automatically become a member unless they opt out. In addition to those individuals directly employed by the Trust, people who exercise a function for the Trust may also choose to be a member of the Staff Constituency. Whether a person joins the clinical or the non-clinical class will be determined by national occupation codes.

Table 5A – Membership constituencies

Public constituency	Service User and Carer constituency	Staff constituency
Public: Leeds Public: York and North Yorkshire Public: Rest of England and Wales	Service User: Leeds Service User: York and North Yorkshire Carer: Leeds Carer: York and North Yorkshire Service User and Carer: Rest of UK	Clinical Staff: Leeds and York & North Yorkshire Non-clinical Staff: Leeds and York & North Yorkshire

5.2 NUMBER OF MEMBERS

Table 5B – Total membership by constituency as on 31 March 2024

Public constituency	Number of members
Public: Leeds	**6479**
Public: York and North Yorkshire	**1270**
Public: Rest of England and Wales	**1694**
Total public members (Including 58 members outside England and Wales)	**9501**

Service User and Carer constituency	Number of members
Service user: Leeds	**464**
Service user: York and North Yorkshire	**68**
Carer: Leeds	**274**
Carer: York and North Yorkshire	**32**
Service User and Carer: Rest of UK	**79**
Total service user and carer members (including 5 members in an 'unspecified constituency)	**922**

Staff constituency	Number of members
Clinical staff: Leeds and York & North Yorkshire	**2976**
Non-clinical staff: Leeds and York & North Yorkshire	**915**
Total staff members	**3891**

Membership has maintained steady at 14,314 on 31 March 2024. These tables illustrate the breakdown, by constituency, of the total number of members.

5.3 DEVELOPING A REPRESENTATIVE MEMBERSHIP

Members of the public, staff, service users, their families and carers can join our Trust as a member. We are responsible for ensuring that our membership is representative of the people that the Trust could provide services to. The profile of the current membership in terms of ethnicity, gender and age continues to be broadly in line with that of the respective constituencies, with no significant deficits. A review of membership has been undertaken by the Trust and results from this confirmed that membership numbers remain high and representative.

5.4 MEMBERSHIP RECRUITMENT AND ENGAGEMENT

We value the contribution of our membership and our focus will be on qualitative rather than quantitative membership levels and engagement. The Council of Governors support planned development work of the membership database alongside ongoing engagement.

We have a varied approach to facilitating engagement between governors, members and the wider public. In particular, each year we hold our Annual Members' Meeting. This not only incorporates the statutory annual meeting where the Council accounts for how it has carried out its duties on behalf of members, it also is an opportunity to celebrate the work carried out by the Trust during the year. Governors get the opportunity to meet with, talk to and hear from their constituents and the wider public. The Trust's Annual Members' Meeting was held on 25 July 2023. In 2024/25 we will continue to ensure that our governors are central to this event which allows them to engage with a diverse group of people.

5.5 THE MEMBERSHIP OFFICE

The Membership Office is the initial point of contact for members to speak to someone within our Trust or with our governors. The office can be contacted by telephone on 07977 327628 or by email at ftmembership.lypft@nhs.net.

SECTION 6 – OUR AUDITORS

6.1 EXTERNAL AUDIT SERVICES

Our external audit service is provided by KPMG. They were appointed by our Council of Governors with effect from 1 October 2017 following a full tender process. Their tenure was initially for three years. This was extended by the Council for a further year until May 2021. It was extended again for a further year until May 2022. In January 2022, the Council agreed to extend their tenure for a further two years until June 2024.

All members of the KPMG audit team are independent of the Board of Directors and of staff members. Each year the audit team provides a statement in support of the requirements for their objectivity and independence to the Audit Committee. The auditors provide audit services in accordance with the Code of Audit Practice. This covers the opinion on the annual accounts and work to be satisfied whether the Trust has proper arrangements to secure value for money.

The cost of independent audits during 2023/24 is detailed in the table below:

Table 6A – Cost of statutory audits

Statutory audit (accounts and value for money responsibilities)	£102,000
TOTAL KPMG FEES	**£102,000**

6.2 INTERNAL AUDIT SERVICES

Our internal audit and counter fraud services are provided by Audit Yorkshire. This is a specialist NHS provider of internal audit and counter fraud services.

On 1 June 2019 the Trust became a formal member of Audit Yorkshire. This provides a direct cost benefit, in terms of a highly competitive day rate. It also has the benefit of 'buy-in' and ownership with the ability to contribute to the strategic direction of the service and is fully aligned with the consolidation of back office functions, as recommended by the Lord Carter review and NHS England.

The Internal Audit Team is led by Helen Higgs (CFIIA/CMI/CCFS). Helen is the Managing Director and Head of Internal Audit. During 2023/24 Helen has been supported by Jonathan Hodgson (FCCA), the Trust's Audit Manager. The remaining team of auditors and specialists is drawn from across Audit Yorkshire.

The scope of the work of internal audit is to review and evaluate the risk management, control, and governance arrangements that we have in place, focusing in particular on how these arrangements help us to achieve our objectives. The Head of Internal Audit Opinion is used by the Accounting Officer to support the Annual Governance Statement. This is achieved through a risk-based plan of work, agreed with management, and approved by the Audit Committee. Internal Audit is only one source of assurance, and it works closely with other assurance providers, such as external audit and local counter fraud services, to ensure that duplication is minimised, and a suitable breadth of assurance obtained.

Audit Yorkshire also offers additional services (e.g. specialist consulting, Data Protection advice and HR Investigations) designed to add value and improve the organisations operations.

Audit Yorkshire provides services in line with the Public Sector Internal Audit Standards (April 2017). This was confirmed in the mandated external quality assessment in February 2020 where an outcome of 'Fully Conforms' was achieved. The external assessment is required every five years and was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA).

PART B
ANNUAL ACCOUNTS
2023/24

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Leeds and York Partnership NHS Foundation Trust ("the Trust") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2024 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in February 2024 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to either cease the Trust's services or dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the Trust over the going concern period.

Our conclusions based on this work:

- we consider that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the Accounting Officer's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud including the internal audit function, and the Trust's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance because of the need to achieve financial performance targets delegated to the Trust by NHS England.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls in particular the risk that Trust management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the block nature of the funding provided to the Trust during the year. We therefore assessed that there was limited opportunity for the Trust to manipulate the income that was reported.

We identified a fraud risk related to completeness of expenditure recognition, particularly in relation to year end accruals and pushing 2023/24 expenditure into 2024/25.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual cash journals, journals posted by senior management personnel and material postings to reduce expenditure in March 2024.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Inspected a sample of expenditure items in the period after 31 March 2024, to determine whether expenditure has been recognised in the correct accounting period.
- Performed a year-on-year comparison of a sample of the largest accruals in the prior year and current year and challenged management where the movement is not in line with our understanding of the entity.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Accounting Officer and other management (as required by auditing standards) and discussed with the Accounting Officer and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements, including the financial reporting aspects of NHS legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Accounting Officer is responsible for the other information, which comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared, in all material respects, in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 86, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to either cease the services provided by the Trust or dissolve the Trust without the transfer of its services to another public sector entity.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

As explained more fully in the statement set out on page 86, the Accounting Officer is responsible for ensuring that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We planned our work and undertook our review in accordance with the Code of Audit Practice and related statutory guidance, having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure which is unlawful, or is about to take, or has taken, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency.

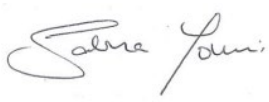
We have nothing to report in this respect.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Leeds and York Partnership NHS Foundation Trust for the year ended 31 March 2024 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.



Salma Younis
for and on behalf of KPMG LLP
Chartered Accountants
Leeds

25 June 2024

FOREWORD TO THE ACCOUNTS

LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

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

Signed: (Chief Executive)

Name: Dr Sara Munro

Date: 20 June 2024

	note	**Year ended 31 March 2024** £000	Year ended 31 March 2023 £000
Operating income	2, 3 & 4	256,902	241,557
Operating expenses	2 & 5	(258,572)	(238,527)
OPERATING SURPLUS		**(1,670)**	**3,030**
FINANCE COSTS			
Finance income	10	6,414	2,833
Finance expense - financial liabilities	12	(5,176)	(4,272)
Finance expense - unwinding of discount on provisions	25	(21)	20
PDC dividend payable			(49)
Share of profit/(loss) of associates/ joint ventures			
NET FINANCE COSTS		**1,217**	**(1,468)**
Gains (losses) on disposal of assets	11	**(5)**	(13)
Surplus from operations		(458)	1,549
SURPLUS FOR THE YEAR		**(458)**	**1,549**
Other comprehensive income			
Items that will not be reclassified to income or expenditure:			
Revaluation gains and (impairment losses) on intangible assets		44	8
Revaluation gains and (impairment losses) on property, plant and equipment		434	1,278
Other comprehensive income for the year		**478**	**1,286**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**20**	**2,835**

The notes on pages 6 to 35 form part of this account.

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2024

	note	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Non-current assets			
Intangible assets	13	1,035	566
Property, plant and equipment	14	66,259	69,614
Trade and other receivables	17	7,890	6,797
Total non-current assets		**75,184**	**76,977**
Current assets			
Inventories	16	64	39
Trade and other receivables	17	12,087	13,220
Non-current assets for sale	19		
Cash and cash equivalents	18	116,678	122,374
Total current assets		**128,829**	**135,633**
Current liabilities			
Trade and other payables	20	(41,884)	(43,203)
Borrowings	21	(6,709)	(3,470)
Provisions	25	(2,102)	(4,459)
Other liabilities	22	(5,237)	(7,758)
Total current liabilities		**(55,932)**	**(58,890)**
Total assets less current liabilities		**148,081**	**153,720**
Non-current liabilities			
Borrowings	21	(20,047)	(14,772)
Provisions	25	(6,564)	(8,006)
Total non-current liabilities		**(26,611)**	**(22,778)**
Total assets employed		**121,470**	**130,942**
Financed by (taxpayers' equity)			
Public dividend capital		38,250	36,626
Revaluation reserve		6,772	6,575
Other reserves		(651)	(651)
Income and expenditure reserve		77,099	88,392
Total taxpayers' equity		**121,470**	**130,942**

The notes on pages 6 to 35 form part of this account.

The accounts on pages 1 to 35 were approved by the Board on 20 June 2024 and signed on its behalf by:

Signed: (Chief Executive)

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total Taxpayers Equity £000
Taxpayers' equity at 1 April 2023	36,626	6,575	(651)	88,392	130,942
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023				(11,116)	(11,116)
Surplus for the year				(458)	(458)
Revaluation gains and impairment losses on intangible assets		44			44
Revaluation gains and impairment losses property, plant and equipment		434			434
Public dividend capital received	1,624				1,624
Transfers to the income and expenditure account in respect of assets disposed of		(1)		1	
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve		(280)		280	
Movement in year subtotal	**1,624**	**197**		**(11,293)**	**(9,472)**
Taxpayers' equity at 31 March 2024	38,250	6,772	(651)	77,099	121,470

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Expenditure Reserve £000	Total Taxpayers Equity £000
Taxpayers' equity at 1 April 2022	35,733	5,549	(651)	86,261	126,892
Implementation of IFRS 16 on 1 April 2022				322	322
Surplus for the year				1,549	1,549
Revaluation gains and impairment losses on intangible assets		8			8
Revaluation gains and impairment losses property, plant and equipment		1,278			1,278
Public dividend capital received	893				893
Transfers to the income and expenditure account in respect of assets disposed of					
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve		(260)		260	
Movement in year subtotal	**893**	**1,026**		**2,131**	**4,050**
Taxpayers' equity at 31 March 2023	36,626	6,575	(651)	88,392	130,942

Description of Reserves:

a) Public dividend capital represents in substance, the Secretary of State for Health's 'equity' investment in the Trust. When the Trust's predecessor NHS Trust was established, the amount of PDC provided to it equated to the initial net assets of the Trust. The PDC balance is usually a constant amount but can change occasionally where the Trust receives additional PDC (usually to fund capital investment) or is asked to repay an element to the Secretary of State.

b) The revaluation reserve is used to record revaluation gains/losses and impairment reversals on property, plant and equipment that are recognised in other comprehensive income. An annual transfer is made from the reserve to retained earnings of amounts representing the excess of current cost depreciation over historic cost depreciation for each item of PPE. When an asset is sold or otherwise disposed of, any remaining revaluation reserve balance for the asset is transferred to Retained Earnings. The balance in the reserve is wholly in respect of property, plant and equipment.

c) Other reserves relates to the write off of an asset which was included in the original NHS Trust's asset base at inception.

d) The Trust's surplus or deficit for the year is recognised in the Income and Expenditure Reserve, together with any other gain or loss for the financial year that is not recognised in any other reserve.

The notes on pages 6 to 35 form part of this account.

STATEMENT OF CASH FLOWS AS AT 31 March 2024	note	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Cash flows from operating activities			
Operating surplus from continuing operations		(1,670)	3,030
Operating surplus		**(1,670)**	**3,030**
Non-cash income and expense:			
Depreciation and amortisation	5	6,929	6,561
Impairments and reversals	14	2,535	(59)
(Increase)/decrease in trade and other receivables	17	(159)	(6,180)
(Increase)/decrease in inventories	16	(25)	8
Increase/(decrease) in trade and other payables	20	302	6,201
Increase/(decrease) in other liabilities	22	(2,521)	(1,212)
Increase/(decrease) in provisions	25	(3,840)	2,854
NET CASH GENERATED FROM OPERATIONS		**1,551**	**11,203**
Cash flows from investing activities			
Interest received	10	6,302	2,438
Purchase of intangible assets	13	(253)	(171)
Purchase of property, plant and equipment	14	(6,867)	(4,701)
Sales of property, plant and equipment		11	6
Net cash used in investing activities		**(807)**	**(2,428)**
Adjustment for net assets de-recognised on merger			
Cash flows from financing activities			
Public dividend capital received		1,624	893
Capital element of private finance initiative obligations	21	(5,435)	(2,375)
Interest element of private finance initiative obligations	12	(1,978)	(4,204)
Capital element of lease liability repayments		(794)	(1,058)
Interest element of lease liability repayments		(168)	(45)
PDC dividend (paid)/refunded		311	(366)
Cash flows from (used in) other financing activities			
Net cash used in financing activities		**(6,440)**	**(7,155)**
Increase/(decrease) in cash and cash equivalents		(5,696)	1,620
Cash and Cash equivalents at 1 April		122,374	120,754
Cash and Cash equivalents at 31 March		**116,678**	**122,374**

Reconciliation of Statement of Financial Position to working balances adjustment in Cash Flow	2023/24 £000s	2022/23 £000s
(Increase)/decrease in receivables as per SOFP	40	(6,892)
Adjustments for receivables movements not related to I&E:		
- Increase/(decrease) in capital receivables	112	
- Financing transactions	(311)	712
(Increase)/decrease in receivables adjusted for non-I&E items	(159)	(6,180)
Increase/(decrease) in payables per SOFP	(1,319)	7,795
Adjustments for payables movements not related to I&E:		
- (Increase)/decrease in capital payables	1,621	(1,555)
- Financing transactions		(39)
Increase/(decrease) in payables adjusted for non-I&E items	302	6,201
Increase/(decrease) in Other Liabilities per SOFP	(2,521)	(1,212)
Adjustments for Other Liabilities movements not related to I&E:		
Increase/(decrease) in Other Liabilities adjusted for non-I&E items	(2,521)	(1,212)
Increase/(decrease) in provisions per SOFP	(3,799)	2,834
Adjustments for provisions movements:		
- Movement in provisions recognised in capital rather than revenue	(20)	
- Unwinding of discount on provisions	(21)	20
Increase/(decrease) in provisions for non I&E items	(3,840)	2,854
Opening capital payables	(3,916)	(2,361)
Closing capital payables	(2,295)	(3,916)
Change in capital payables in-year	**(1,621)**	**1,555**

The notes on pages 6 to 35 form part of this account.

Notes to the accounts

The principal activity of the Trust is to provide excellent quality mental health and learning disability care that supports people to achieve the very best that they can for their health and wellbeing. The Trust's registered address is St Mary's House, Main House, St Mary's Road, Potternewton, Leeds LS7 3JX.

1 Accounting policies

NHS England has directed that the financial statements of the Leeds and York Partnership NHS Foundation Trust (LYPFT) 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 LYPFT 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

In accordance with IAS1, the accounts are prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

After making enquiries, the directors have a reasonable expectation that the services provided by Leeds and York Partnership NHS Foundation Trust will continue to be provided 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.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets. For specialised operational property the modern equivalent asset valuation method has been used.

1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

1.3 Expenditure on employee benefits

Short term employee benefits

Salaries, wages and employment related payments such as social security 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 accounts to the extent that employees are permitted to carry-forward leave into the following year.

1.4 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

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:

Notes to the accounts - 1. Accounting policies (continued)

1.4 Pension costs (continued)

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates payable by employers and employees.
The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have laid Scheme Regulations confirming an increase to the employer contribution rate to 20.68% of pensionable pay from this date. The actuarial valuation as at 31 March 2020 reported in October 2023, the new employer contribution rate is 23.78% and will be implemented from 1 April 2024.
Employers and employee contribution rates may be varied from time to time, as above, to reflect changes in the scheme's liabilities. In 2023/24 employee contributions are tiered depending on salary and range from 5% to 14.5%. Employer contributions for 2023/24 were 20.68%, including the administration levy (20.68% in 2022/23).

b) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.
The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

c) Scheme provisions

In 2023/24 the NHS pension scheme provided defined benefits, which are summarised below. The list is an illustrative guide only, and is not intended to detail all the benefits provided by the scheme or the specific conditions that must be met before these benefits can be obtained:

Annual Pensions

The annual pension under the 1995 section of the scheme is based on 1/80th of the best of the last three years pensionable pay for each year of service and for the 2008 section it is based on 1/60th of reckonable pay per year of membership. Further changes to the scheme came into effect from 1 April 2015, which mean that the scheme is now based on average salary rather than final salary, with an accrual rate of 1/54th.
With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This is known as pension commutation.
Members who are practitioners as defined by the scheme regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

Pensions Indexation

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and from 2011/12, are based on changes in consumer prices (CPI) in the twelve months ending 30 September in the previous calendar year.

Ill-health retirement

Early payment of a pension, with enhancement in certain circumstances, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity.

Death benefits

A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

Additional voluntary contributions (AVCs)

Members can purchase additional service in the NHS pension scheme and contribute to money purchase AVC's run by the scheme's approved providers or by other free standing additional voluntary contribution (FSAVC) providers.

Transfer between funds

Scheme members have the option to transfer their pension between the NHS pension scheme and another scheme when they move into or out of NHS employment.

Preserved benefits

Where a scheme member ceases NHS employment with more than two years service, they can preserve their accrued NHS pension for payment when they reach retirement age.

Notes to the accounts - 1. Accounting policies (continued)

1.4.1 Alternative pension scheme

From 1 August 2013 (deferred to 1 October 2013), Leeds and York Partnership NHS Foundation Trust offers an alternative pension scheme to all employees who are not eligible to be members of the NHS pension scheme at the Trust. This includes employees who are members of the NHS pension scheme through another role outside of the Trust and those that are not eligible to join the NHS pension scheme.

Every three years all eligible employees are auto-enroled in either the NHS or alternative pension scheme. The auto-enrolment exercise was carried out in October 2022 and following this process, all employees who meet the criteria for the alternative pension scheme are enroled each month on a continuous basis, unless they specifically opt out.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

1.5 Income recognition

Income is accounted for by applying the accruals convention. The main source of income for Leeds and York Partnership NHS Foundation Trust is from commissioners in respect of healthcare services provided under local agreements (NHS Contracts). Where income is received for a specific activity, which is to be delivered in the following financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.5.1 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

1.5.2 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 NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

1.5.3 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.

1.5.4 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 in West Yorkshire for Children's and Young People Mental Health Services, and Adult Eating Disorders, Leeds and York Partnership NHS Foundation 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.

Notes to the accounts - 1. Accounting policies (continued)

1.5.5 Revenue grants and other contributions to expenditure

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.

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.

1.5.6 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.6 Expenditure on 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.

1.6.1 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the Leeds and York Partnership NHS Foundation Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably;

and if any of the following apply:

- the item has cost of at least £5,000;
- 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, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

The finance costs of bringing property, plant and equipment into use are not capitalised.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2 Measurement

Valuation

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

Land and buildings used for the Trust's purposes are stated in the Statement of Financial Position at their revalued amounts being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. In accordance with IFRS and NHS policy, a full revaluation is performed at least every five years, with an interim revaluation in the third year after the full revaluation. An impairment review is undertaken in all other years. The Trust believes that this is sufficiently regular to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use;
- Specialised buildings – depreciated replacement cost based on providing a modern equivalent asset;
- Non-operational land and buildings – fair value based on alternative use.

Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Department. These valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation manual. A valuation was last undertaken as at 31 March 2024 and the assets were reviewed for impairment using the Modern Equivalent Asset (MEA) and alternative site methods as appropriate. From 31 March 2018 PFI assets are valued excluding VAT.

Plant and equipment assets were last indexed using the latest available Consumer Price Indices (CPI), being for February 2024, as issued by the Office for National Statistics.

Notes to the accounts - 1. Accounting policies (continued)

1.6.3 Subsequent expenditure

Expenditure after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the Statement of Comprehensive Income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits or service potential expected to be obtained from the use of an item of property, plant and equipment, and where the cost can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement. The carrying amount of the part replaced is de-recognised.

1.6.4 Depreciation

Items of property, plant and equipment are depreciated, using the straight line method, over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Freehold land is considered to have an indefinite 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 and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

The useful economic lives of property, plant and equipment are estimated by Leeds and York Partnership NHS Foundation Trust as follows:

Plant and machinery	
• Short life engineering plant and equipment	5 years
• Medium life engineering plant and equipment	10 years
• Long life engineering plant and equipment	15 years
• Short life medical and other equipment	5 years
• Medium life medical equipment	10 years
• Long life medical equipment	15 years
Transport	
• Vehicles	7 years
Furniture and fittings	
• Furniture	10 years
Information technology	
• Office and IT equipment	5 years
• Mainframe type IT installations	10 years

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the Trust's professional independent valuers. The assessed lives of the individual building elements may vary. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from it. This period is specific to the foundation trust and may be shorter than the physical life of the asset itself.

Assets held under finance leases (including leased land) are depreciated over the shorter of their estimated useful economic lives or the lease period. Where the Trust will, or is reasonably certain to, acquire ownership of the asset at the end of the lease, the asset is depreciated over its useful economic life.

Estimated useful lives and residual values are reviewed each year end, with the effects of any changes recognised on a prospective basis.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

At the end of each reporting period, a transfer is made from the revaluation reserve to the income and expenditure reserve, in respect of the difference between the depreciation expense on the revalued asset and the depreciation expense based on the assets historic cost carrying value.

Notes to the accounts - 1. Accounting policies (continued)

1.6.5 Revaluation and Impairment

Increases in asset values arising from revaluations are taken to the revaluation reserve except where, and to the extent they, reverse an impairment for the same asset previously recognised in operating expenses. In this case they are recognised in operating income.

Impairments, that arise from a loss of economic benefit or service potential, are charged to operating expenses in the period that they occur. At the period end, a transfer is made from the revaluation reserve to the income and expenditure reserve for the amount of the impairment (or the remaining balance in the revaluation reserve relating to the asset if this is a lower amount).

Decreases in asset values and all other impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter, are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "other comprehensive income".

At each reporting period end, the Trust checks whether there is any indication that any of its property, plant or equipment has suffered an impairment loss. If there is an indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

1.6.6 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met.

- the asset is available for immediate sale in its present condition subject only to terms, which are usual and customary for such sales;
- the sale must be highly probable, i.e. management are committed to a plan to sell the asset; an active programme has begun to find a buyer and complete the sale; the asset is being actively marketed at a reasonable price; the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; and the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Fair value is open market value including alternative uses. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount.

Assets are de-recognised when all material sale contract conditions have been met. The non-current assets held for sale are identified in note 19.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset in the revaluation reserve is transferred to the income and expenditure reserve.

Property, plant and equipment, which is to be scrapped or demolished, does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.6.7 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

1.7 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial position' by the Trust.

The underlying assets are recognised as property, plant and equipment at their fair value. An equivalent financial liability is recognised in accordance with HM Treasury's FReM. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received (including lifecycle costs);
b) Payment for the PFI asset, comprising finance costs and the repayment of the liability; and
c) Operating lease for the land.

Notes to the accounts - 1. Accounting policies (continued)

1.7 Private Finance Initiative (PFI) transactions (cont)

a) Services received

The fair value of service received in the year is recorded under the relevant expenditure heading within operating expenses.

Leeds and York Partnership NHS Foundation Trust has adopted the approach that we incur the lifecycle costs evenly over the contract period as part of the unitary payment. This is due to the nature of the costs involved.

b) PFI assets and finance costs

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

c) Operating lease for the land

The land, which the PFI building is built on, is classified as an operating lease in accordance with HM Treasury's FReM.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trusts Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed, eg cash payments and surplus property, by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Leeds and York Partnership NHS Foundation Trust did make an initial 'bullet' payment of cash upfront of £5.4m. This was off set against the initial liability (based on the fair value cost of the building less the £5.4m).

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.

1.8 Intangible Assets

1.8.1 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. The Trust holds software licences as intangible assets. 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.

Purchased computer software licences are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 2 and 5 years depending on the software licence.

Notes to the accounts - 1. Accounting policies (continued)

1.8 Intangible Assets (cont)

1.8.2 Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

• the project is technically feasible to the point of completion and will result in an internally generated intangible asset for sale or use;
• the Trust intends to complete the asset and sell or use it;
• the Trust has the ability to sell or use the asset;
• how the intangible asset will generate probable future economic or service delivery benefits, eg the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
• adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
• the Trust can measure reliably the expenses attributable to the asset during development.

1.8.3 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. Subsequent intangible assets are measured at fair value. Revaluation gains, losses and impairments are treated in the same manner as for property, plant and equipment, see notes 1.6.2 and 1.6.5.

1.8.4 Amortisation

Intangible assets are amortised on a straight line basis over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Amortisation is recognised in the Statement of Comprehensive Income.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value, using the first in - first out cost formula. Inventories are identified in note 16. The Trust's inventories do not include drugs, but comprise stationery, oil and other work stores.

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and investments that mature in 3 months or less. Cash and bank balances are recorded at the current values of these balances in the Trust’s cash book. These balances exclude monies held in the Leeds and York Partnership NHS Foundation Trust's bank account belonging to patients (see “third party assets” below). Interest earned on bank accounts is recorded as “interest receivable” in the period to which it relates. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.11 Provisions

Leeds and York Partnership NHS Foundation Trust provides for present legal or constructive obligations that are 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 rate in real terms. The discount rate for early retirement and injury benefit provisions (both use the HM Treasury's pension discount rate) is 2.45% (1.70% in 2022/23) in real terms. The discount rate for other provisions varies depending on the timing of the liability from 4.26% (up to 5 years), 4.03% (5 - 10 years) and 4.72% over 10 years (in 2022/23 the discount rates were 3.27%, 3.20% and 3.51% respectively).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party; the receivable is recorded as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Clinical negligence costs

From 1 April 2000, NHS Resolution took over full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHS Resolution. Although the NHS Resolution is administratively responsible for all cases from 1 April 2000, the legal liability remains with Leeds and York Partnership NHS Foundation Trust.

NHS Resolution operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHS Resolution, which, in return, settles all clinical negligence claims. Leeds and York Partnership NHS Foundation Trust does not include any amounts in its accounts relating to these cases. The total value of clinical negligence provisions carried by the NHS Resolution on behalf of the Trust is disclosed at note 25.

Notes to the accounts - 1. Accounting policies (continued)

1.11 Provisions (cont)

Non-clinical risk pooling

Leeds and York Partnership NHS Foundation Trust participates in the Property Expenses Scheme (PES) and the Liabilities to Third Parties Scheme (LTPS). Both are risk pooling schemes under which the Trust pays an annual contribution to the 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; these are the only amounts included in the accounts of the Leeds and York Partnership NHS Foundation Trust.

1.12 Contingencies

Contingent assets, ie assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control, are not recognised as assets, but are disclosed in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are provided for where a transfer of economic benefits is possible. Otherwise, they 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 whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control, or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.13 Value added tax (VAT)

Most of the activities of Leeds and York Partnership NHS Foundation 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.

1.14 Corporation tax

Leeds and York Partnership NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for HM Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities, which are not related to, or ancillary to, the provision of healthcare. Until the exemption is disapplied, the foundation trust has no corporation tax liability.

1.15 Foreign exchange

The functional and presentational currency of the Leeds and York Partnership NHS Foundation Trust is sterling.
Transactions that are denominated in a foreign currency are converted into sterling at the exchange rate ruling on the date of each transaction. Gains and losses that result are taken to the Statement of Comprehensive Income.

1.16 Third party assets

Assets belonging to third parties, in which the Leeds and York Partnership NHS Foundation 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, note 30, in accordance with the requirements of the HM Treasury FReM.

1.17 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 Leeds and York Partnership NHS Foundation Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Leeds and York Partnership NHS Foundation Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as lessee

Initial recognition and measurement

At the commencement date of the lease, being when the asset is made available for use, Leeds and York Partnership NHS Foundation 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.

Notes to the accounts - 1. Accounting policies (continued)

1.17 Leases (cont)

Initial recognition and measurement (cont)

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.

Leeds and York Partnership NHS Foundation 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, Leeds and York Partnership NHS Foundation 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.

Leeds and York Partnership NHS Foundation 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.

Initial application of IFRS 16

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury has been applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

The standard has been applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 have only been applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments have not been revisited.
For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight has been used in determining the lease term where lease arrangements contain options for extension or earlier termination.

No adjustments have been made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets has a value below £5,000. No adjustments have been made in respect of leases previously classified as finance leases.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land, in the PFI, is treated as an operating lease.

Notes to the accounts - 1. Accounting policies (continued)

1.18 Public dividend capital (PDC) and PDC dividend

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 original NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by Leeds and York Partnership NHS Foundation Trust, is paid over as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily balance of cash held with the Government Banking Service, the National Loans Fund and PDC receivable/payable. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

In accordance with the requirements laid down by the Secretary of State (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 accounts. The dividend is not revised should any adjustment to net assets occur as a result of the audit of the accounts.

1.19 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Statement of Comprehensive Income on an accruals basis. Note 31 is compiled directly from the losses and special payments register which is prepared, as per the DHSC GAM, on an accruals basis (with the exception of provisions for future losses).

1.20 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities arise where Leeds and York Partnership NHS Foundation Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument.

The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with Leeds and York Partnership NHS Foundation Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Derecognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or Leeds and York Partnership NHS Foundation Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and Measurement

Financial assets are categorised as 'loans and receivables' and financial liabilities are classified as 'other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not quoted in an active market, and are included in current assets.

Leeds and York Partnership NHS Foundation Trust's loans and receivables comprise: current investments, cash at bank and in hand, NHS receivables and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly, the estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly, the estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Notes to the accounts - 1. Accounting policies (continued)

1.20 Financial instruments and financial liabilities (cont)

Impairment of financial assets

At the Statement of Financial Position date, Leeds and York Partnership NHS Foundation Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' 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 of 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 income and expenditure account and the carrying amount of the asset is reduced through the use of a bad debt provision.

1.21 Accounting standards that have been issued but have not yet been adopted

a) IASB standard and IFRIC interpretations

Under paragraph 30 of IAS 8, entities need to disclose any new IFRSs that are issued but not yet effective and that are likely to impact the entity.

b) Government Financial Reporting Manual (FReM) changes

In preparing the DH GAM, the Department of Health and Social Care must take account of the requirements of the Government FReM issued by HM Treasury. In some cases, where there is a compelling reason, HM Treasury may grant permission not to adopt a change to the FReM in the DH GAM.

c) Other changes

From 2013/14 the exemption applicable to NHS FTs from consolidating NHS charitable funds that they control has been removed. The effect on Leeds and York Partnership NHS Foundation Trust is the need to consider whether charitable fund income, expenditure, assets, liabilities and reserves should be consolidated within the Trusts main accounts. Income and expenditure between the Trust and the charitable fund would be eliminated on consolidation. Further details are included in note 1.25 - Charitable Funds.

d) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 was issued in April 2024 and applies to periods beginning on or after 1 January 2027. The standard has not yet been adopted by FRAB for inclusion within the FREM and therefore it is not yet possible to confirm how this will impact on our accounts in the future.

1.22 Accounting standards issued that have been adopted early by Leeds and York Partnership NHS Foundation Trust

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

1.23 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates as the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

1.24 Private patient income cap

Previously, NHS Foundation Trusts were required to disclose private patient income where this exceeded the amount specified. This disclosure is no longer required.

1.25 Charitable funds

Under IAS 27 (revised) Leeds and York Partnership NHS Foundation Trust is required to consolidate any Charitable Funds that meet the definition of a subsidiary contained in the standard. HM Treasury has previously granted dispensation to NHS FT organisations in this respect, however this dispensation ended in 2013/14. Leeds and York Partnership NHS Foundation Trust has therefore considered the need to consolidate Charitable Funds within the main Trust accounts and concluded, although the Trust continues to meet the criteria within the accounting standard, the value of the Charitable Fund is not material and will not therefore be consolidated within the Trusts main accounts.

IAS 27 (revised) also requires specific disclosures to be included in the accounts. The dispensation previously granted did not include the requirement for appropriate disclosure and consequently note 33 - Charitable funds, continues to be included in the Trusts accounts in compliance with these disclosure requirements.

Notes to the accounts - 1. Accounting policies (continued)

1.26 Transfer of services

Where the Trust transfers a function to, or receives a function from another entity within the Whole of Government Accounts boundary this represents a “machinery of government change” regardless of the mechanism used to effect the combination, eg, statutory merger or purchase of the business.

The Trust will normally account for a machinery of government change as a transfer by absorption. This includes all transfers of functions involving other bodies within the Department of Health and Social care’s Resource Accounting Boundary and transfers of functions involving local government bodies.

1.27 Investment in associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust’s financial statements using the equity method of accounting. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust’s share of the entity’s profit or loss or other gains and losses (eg revaluation gains on the entity’s property, plant and equipment) following acquisition. It is also reduced when any distribution of gainshare is received by the Trust.

Leeds and York Partnership NHS Foundation Trust is a 25% partner in the Collaborative Procurement Partnership LLP (CPP LLP), with 3 other NHS foundation trusts. The partnership was registered at Companies House on 18 January 2017 and began implementation on 8 November 2017, following a successful tender process to deliver services to the Department of Health and Social Care from 8 May 2018.

The procurement contracts operated by Collaborative Procurement Partnership LLP ceased on 30 April 2023 and are not going to be renewed. As a consequence the entity ceased trading on the 30 April 2023 and is now engaged in the conclusion of its affairs and settlement of final liabilities.

Notes to the accounts

2 Operating segments

Leeds and York Partnership NHS Foundation Trust (LYPFT) provides mental health and learning disability services across the city of Leeds. Specialist services including Forensics, Eating Disorders and CYPHMS are commissioned through Provider Collaboratives. Other specialist services such as Liaison, Gender and Perinatal are commissioned by NHS England and provided by LYPFT in Leeds, York and North Yorkshire.

The majority of Trust income (by value) is on a block basis. The Trust contracted with the West Yorkshire ICB for 59% of its income. The Trust also had contracts with NHS England and Local Authorities for the provision of clinical services and education training services.

Two operating segments are reported below. The operating segments are care services and hosted services. The hosted services segment includes the Commercial Procurement Collaborative (CPC), Research & Development, and the Northern School of Child & Adolescent Psychotherapy. The figures have been calculated using full absorption costing.

The reportable segments are those used by the Trust's Board and management (the 'Chief Operating Decision Maker' as defined in IFRS 8, Operating Segments) to run the business . Segment information is presented on the same basis as that used for internal reporting purposes. The surplus or deficit for each segment is used to inform the Board of Directors on performance and to assist in negotiations with commissioners on the cost and resources needed to maintain services at a level consistent with the need of the population.

Further detail of each directorate can be found in the Annual Report of the Trust.

	Care Services		**Hosted Services**		**Total**	
	Year ended 31 March 2024	Year ended 31 March 2023	**Year ended 31 March 2024**	Year ended 31 March 2023	**Year ended 31 March 2024**	Year ended 31 March 2023
	£000	£000	**£000**	£000	**£000**	£000
Income by segment						
Income from activities	**226,803**	216,180			**226,803**	216,180
Other operating income	**15,407**	13,544	**14,692**	11,833	**30,099**	25,377
TOTAL INCOME	**242,210**	229,724	**14,692**	11,833	**256,902**	241,557
TOTAL EXPENDITURE	**(244,157)**	(227,313)	**(14,415)**	(11,214)	**(258,572)**	(238,527)
Operating surplus	**(1,947)**	2,411	**277**	619	**(1,670)**	3,030
Non Operating Income and Expenditure Total	**1,213**	(1,437)	**(1)**	(44)	**1,212**	(1,481)
Surplus/(Deficit) from continuing operations	**(734)**	974	**276**	575	**(458)**	1,549

a) Income includes £228m (£210m in 2022/23) from NHS organisations (primarily £152m from the West Yorkshire ICB and £40m from NHS England).

b) Expenditure includes employee expenses £181,517k (£171,862k in 2022/23), premises £7,010k (£6,997k in 2022/23), depreciation and amortisation £6,929k (£6,561k in 2022/23) and establishment £2,963k (£3,029k in 2022/23).

3 Revenue from patient care activities

	Year ended 31 March 2024	Year ended 31 March 2023
	£000	£000
Clinical Commissioning Groups, Integrated Care Boards and NHS England	**189,970**	184,942
Foundation Trusts	**25,306**	19,897
Local Authorities	**109**	128
NHS other	**2,192**	2,005
Non-NHS:		
Income for social care clients	**9,072**	9,027
Other	**154**	181
Total revenue from patient care activities	**226,803**	216,180

All income from patient care activities is classed as commissioner requested services (CRS).

Additional funding was made available by NHS England in 2023/24, £59k, and 2022/23, £6.0m, for implementing the backdated element of pay awards where government offers were made at the end of the financial year. In March 2024, the government announced a revised pay offer for consultants, reforming consultant pay scales with an effective date of 1 March 2024. Trade Unions representing consultant doctors accepted the offer in April 2024. (In March 2023, the government made a pay offer for staff on agenda for change terms and conditions which was later confirmed in May 2023. The additional pay for 2022/23 was based on individuals in employment at 31 March 2023.)

Notes to the accounts

4 Other operating revenue	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Research and development	**1,744**	1,517
Education and training	**6,689**	6,156
Non-patient care services to other bodies	**1,429**	1,136
Reimbursement and Top Up Funding		71
Contributions to expenditure donated from DHSC bodies for COVID	**51**	342
Other income:		
Inter NHS Foundation Trust	**1,202**	664
Inter NHS Trust	**485**	382
Inter RAB	**6,780**	6,993
Inter Other WGA bodies	**1,261**	1,196
Other (outside WGA)	**9,471**	5,832
Income in respect of staff costs where accounted on gross basis	**987**	1,088
Total Other Operating Revenue	**30,099**	25,377

5 Operating expenses	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Purchase of healthcare from NHS and DHSC bodies	**45**	360
Purchase of healthcare from non-NHS and non-DHSC bodies	**21,225**	13,257
MH collaboratives (lead provider) - purchase of healthcare from NHS bodies	**583**	1,164
MH collaboratives (lead provider) - purchase of healthcare from non-NHS bodies	**6,871**	3,309
Purchase of social care	**648**	776
Staff and executive directors costs	**181,517**	171,862
Non-executive directors	**237**	234
Supplies and services – clinical excluding drugs costs	**1,240**	1,725
Supplies and services – clinical: utilisation of consumables for COVID response	**51**	342
Supplies and services - general	**2,730**	1,602
Drugs costs	**2,225**	2,141
Consultancy	**34**	115
Establishment	**2,963**	3,029
Premises - business rates	**1,031**	1,051
Premises - other	**7,507**	6,005
Transport - business travel	**867**	972
Transport - other	**939**	818
Depreciation	**6,637**	6,286
Amortisation	**292**	275
Impairments net of (reversals)	**2,535**	(59)
Increase/(decrease) in impairment of receivables		(342)
Provisions arising / (released) in year	**(2,073)**	4,036
Change in provisions discount rate	**(45)**	(226)
Audit services - statutory audit	**122**	118
Internal audit - non-staff	**107**	92
Clinical negligence - amounts payable to NHS Resolution	**636**	456
Legal fees	**214**	69
Insurance	**227**	173
Research and development	**1,908**	1,651
Education and training	**1,614**	1,413
Education and training funded from apprenticeship fund	**335**	405
Lease expenditure - short term leases	**23**	152
Lease expenditure - low value assets	**41**	60
Early retirements	**9**	8
Redundancy costs	**8**	20
Charges to operating expenditure for PFI schemes	**9,017**	8,286
Car parking and security	**379**	302
Other losses and special payments	**78**	50
Other	**5,795**	6,540
Total operating expenditure	**258,572**	238,527

Details of provisions arising in year are included in note 25.

Details of the Directors' remuneration can be found in Section 2.2 of the annual report.

Notes to the accounts - 5. Operating expenses (continued)

5.1 Auditors remuneration

The Board of Governors appointed KPMG as external auditors of the Foundation Trust for 2023/24. The statutory audit fee will be £102k for 2023/24 excluding value added tax. This was the fee for an audit in accordance with the Audit Code issued by NHSi as updated in December 2014.

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Financial Audit	**102**	98
Total	**102**	98

6 Operating leases

6.1 As lessee

The leases are for buildings, vehicles and other equipment. Building leases include non specialised properties used for clinical purposes. Vehicle leases are for cars supplied to qualifying staff under a vehicle lease scheme. Other equipment leases are mainly for photocopy equipment in the various Trust properties.

Payments recognised as an expense	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Minimum lease payments	**127**	271
Sub-lease payments		
	127	271

Total future minimum lease payments	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Not later than one year	**65**	100
Between one and five years	**45**	40
After 5 years		
Total	**110**	140

Notes to the accounts

7 Employee costs and numbers

7.1 Employee costs

	Year Ended 31 March 2024			Year Ended 31 March 2023		
	Total	**Permanently Employed**	**Other**	Total	Permanently Employed	Other
	£000	**£000**	**£000**	£000	£000	£000
Salaries and wages	**133,162**	**115,894**	**17,268**	126,552	112,927	13,625
Social security costs	**13,572**	**13,572**		12,053	12,053	
Employer contributions to NHS pension scheme	**16,306**	**16,306**		14,627	14,627	
Employer contributions to NHS pension scheme paid by NHSE	**7,121**	**7,121**		6,402	6,402	
Apprentice Levy	**662**	**662**		573	573	
Agency staff	**11,240**		**11,240**	11,776		11,776
Employee benefits expense	**182,063**	**153,555**	**28,508**	171,983	146,582	25,401

There were no employee benefits paid in the year ended 2023/24 (£nil in 2022/23)

Of which:		
Charged to capital	**(158)**	
Recharged income	**(388)**	(121)
Total employee costs	**181,517**	171,862

Full details of the Directors' remuneration can be found in section 2.2 of the Annual Report, of which a summarised version is given below.

The disclosures required under the Hutton report can also be found in section 2.2 of the Annual Report.

	Year Ended 31 March 2024	Year Ended 31 March 2023
Directors' remuneration	**£000**	£000
Aggregate emoluments to Executive Directors	**868**	836
Remuneration of Non-Executive Directors	**237**	233
Pension cost	**82**	98
Additional Pension cost covered by NHS E	**36**	43
	1,223	1,210

Remuneration of Non-Executives include MH Act Managers £80k (£76k in 2022/23).

7.2 Monthly average number of people employed (wte)

	Year Ended 31 March 2024			Year Ended 31 March 2023		
	Total	**Permanently Employed**	**Other**	Total	Permanently Employed	Other
	Number	**Number**	**Number**	Number	Number	Number
Medical and dental	**237**	**211**	**26**	220	193	27
Administration and estates	**796**	**764**	**32**	762	715	47
Healthcare assistants and other support staff	**1,020**	**708**	**312**	966	665	301
Nursing, midwifery and health visiting staff	**839**	**781**	**58**	817	758	59
Scientific, therapeutic and technical staff	**425**	**421**	**4**	389	386	3
Social care staff	**43**	**43**		29	29	
Total	**3,360**	**2,928**	**432**	3,183	2,746	437

8 Retirements due to ill-health

During 2023/24 there was 1 (3 in 2022/23) early retirement from the Trust agreed on the grounds of ill-health. The estimated additional pension liability of this ill-health retirement will be £33k (£269k in 2022/23). The cost of this ill-health retirement will be borne by the NHS Business Services Authority - Pensions Division.

9 Better Payment Practice Code

	Year Ended 31 March 2024		Year Ended 31 March 2023	
	Number	**£000**	Number	£000
Total Non-NHS trade invoices paid in the year	**21,468**	**131,202**	22,103	76,989
Total Non-NHS trade invoices paid within target	**19,877**	**126,978**	20,236	72,049
Percentage of Non-NHS trade invoices paid within target	**93%**	**97%**	92%	94%
Total NHS trade invoices paid in the year	**627**	**13,245**	626	12,998
Total NHS trade invoices paid within target	**567**	**11,820**	547	11,580
Percentage of NHS trade invoices paid within target	**90%**	**89%**	87%	89%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

Notes to the accounts

10 Finance Income

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Bank accounts	**6,414**	2,833
Total	**6,414**	2,833

This figure includes accrued interest of £562k (2022/23 £450k).

11 Other gains and losses

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Gain on disposal of property, plant and equipment		2
Loss on disposal of property, plant and equipment	**(5)**	(15)
Total	**(5)**	(13)

12 Finance costs

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Interest on obligations under finance leases	**168**	45
Interest on obligations under PFI contracts:		
- main finance cost	**1,978**	1,143
- Remeasurement of PFI liability resulting from change in index	**3,030**	
- contingent finance costs		3,084
Total	**5,176**	4,272

From 1 April 2023, IFRS 16 liability measurement principles are applied to PFI, LIFT and other service concession liabilities. Increases to imputed lease payments arising from inflationary uplifts are now included in the liability, and contingent rent no longer arises.

13 Intangible assets

2023/24:	**Computer software - purchased £000**	**2022/23:**	**Computer software - purchased £000**
Gross valuation at 1 April 2023	815	Gross valuation at 1 April 2022	602
Additions purchased	717	Additions purchased	254
Disposals other than by sale	(20)	Disposals other than by sale	(31)
Impairments		Impairments	(10)
Reclassifications		Reclassifications	
Revaluation/indexation	2	Revaluation/indexation	
Gross valuation at 31 March 2024	**1,514**	**Gross valuation at 31 March 2023**	**815**
Accumulated amortisation at 1 April 2023	249	Accumulated amortisation at 1 April 2022	13
Disposals other than by sale	(20)	Disposals other than by sale	(31)
Revaluation	(42)	Revaluation	(8)
Impairments		Impairments	
Charged during the year	292	Charged during the year	275
Accumulated amortisation at 31 March 2024	**479**	**Accumulated amortisation at 31 March 2023**	**249**
Net book value		**Net book value**	
Purchased	1,035	Purchased	566
Total at 31 March 2024	**1,035**	**Total at 31 March 2023**	**566**

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5k is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 2 and 5 years depending on the software licence. The remaining economic life is assessed each year.

Quotations were sought in 2023/24 for the software licences and this led to an impairment charge to operating expenses of £0k (impairment charge of £0k in 2022/23).

Notes to the accounts

14. Property, plant and equipment

2023/24:	**Land**	**Buildings excluding dwellings**	**Assets under construct and payments on account**	**Plant and machinery**	**Transport equipment**	**Information technology**	**Furniture & fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cost or valuation at 1 April 2023	1,930	58,677	3,201	1,103	1,264	12,724	2,248	81,147
Additions purchased			3,913			899	(30)	4,782
Additions leased		142			147			289
Additions donated								
Reclassifications		4,223	(5,833)			1,568	42	
Reclassified as held for sale								
Disposals				(10)	(126)	(6)		(142)
Revaluation/indexation (losses)/gains	253	(5,653)		77	(22)		(7)	(5,352)
Remeasurements of the lease ROU liability		290			18			308
Dilapidation provisions arising (capitalised in RoU asset)		20						20
Impairments		(445)			(7)			(452)
Reversal of Impairments								
At 31 March 2024	**2,183**	**57,254**	**1,281**	**1,170**	**1,274**	**15,185**	**2,253**	**80,600**
Accumulated depreciation at 1 April 2023		1,346		1,015	502	7,700	970	11,533
Disposals				(10)	(112)	(4)		(126)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains		(6,288)		74	(14)		(3)	(6,231)
Impairments		2,533						2,533
Reversal of Impairments		(5)						(5)
Charged during the year - ROU Asset		840			137			977
Charged during the year - Peppercorn Asset		111						111
Charged during the year		3,823		37	98	1,410	181	5,549
Accumulated depreciation at 31 March 2024		**2,360**		**1,116**	**611**	**9,106**	**1,148**	**14,341**
Net book value								
Total at 31 March 2024	**2,183**	**54,894**	**1,281**	**54**	**663**	**6,079**	**1,105**	**66,259**
Asset financing								
Owned	2,183	44,109	1,281	54	432	6,079	1,105	**55,243**
PFI		5,897						**5,897**
Finance Lease		4,881			231			**5,112**
Donated		7						**7**
Total at 31 March 2024	**2,183**	**54,894**	**1,281**	**54**	**663**	**6,079**	**1,105**	**66,259**

The latest revaluation of land and buildings was carried out by the Valuation Office with an effective date of 31 March 2024.

Specialist land and buildings in operational use are valued at Depreciated Replacement Cost (DRC), using a Modern Equivalent Asset basis (MEA). The MEA basis includes consideration of modern building techniques, occupancy rates, service delivery output and alternative site as required.

Non specialist land and buildings in operational use are valued at open market value, assuming existing use.

The Foundation Trust's property, plant and equipment are held for service delivery, rather than for cash generating purposes. Consequently, in accordance with the DH GAM, the "value in use" is assumed to be at least equal to the cost of replacing the service potential provided by the asset unless there has been a reduction in service potential. When measuring impairments, the recoverable amount for operational properties is considered to be the value in use rather than the "fair value less costs to sell".

There are no restrictions imposed on the use of donated assets.

Notes to the accounts - 14.1 Property, plant and equipment (continued)

14.1 Property, plant and equipment - prior year

2022/23:	**Land**	**Buildings excluding dwellings**	**Assets under construct and payments on account**	**Plant and machinery**	**Transport equipment**	**Information technology**	**Furniture & fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cost or valuation at 1 April 2022	1,930	52,536	350	1,035	751	11,682	1,967	70,251
Initial application of IFRS16		4,960			323			5,283
Additions purchased			4,914		120	1,042	97	6,173
Additions leased		1,433			122			1,555
Additions donated								
Reclassifications		1,655	(1,655)					
Reclassified as held for sale								
Disposals		(62)		(11)	(58)			(131)
Revaluation/indexation (losses)/gains		(1,744)		79	6		184	(1,475)
Impairments		(101)	(408)					(509)
Reversal of Impairments								
At 31 March 2023	**1,930**	**58,677**	**3,201**	**1,103**	**1,264**	**12,724**	**2,248**	**81,147**
Accumulated depreciation at 1 April 2022		329		911	243	6,365	728	8,576
Initial application of IFRS16					114			114
Disposals		(48)		(11)	(53)			(112)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains		(3,009)		72	2		80	(2,855)
Impairments		184						184
Reversal of Impairments		(660)						(660)
Charged during the year		4,550		43	196	1,335	162	6,286
Accumulated depreciation at 31 March 2023		**1,346**		**1,015**	**502**	**7,700**	**970**	**11,533**
Net book value								
Total at 31 March 2023	**1,930**	**57,331**	**3,201**	**88**	**762**	**5,024**	**1,278**	**69,614**
Asset financing								
Owned	1,930	44,525	3,201	88	548	5,024	1,278	**56,594**
PFI		7,418						**7,418**
Finance Lease		5,380			214			**5,594**
Donated		8						**8**
Total at 31 March 2023	**1,930**	**57,331**	**3,201**	**88**	**762**	**5,024**	**1,278**	**69,614**

Notes to the accounts - 14. Property, plant and equipment (continued)

14.2 Classification of impairments for Parliamentary budgeting purposes

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Loss or damage from normal operations		
Abandonment of assets in course of construction		417
Over specification of assets		
Changes in Market Place	**2,540**	184
Reversals of impairments	**(5)**	(660)
At 31 March	**2,535**	(59)

15 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Property, plant and equipment		1,712
Total		1,712

This includes the refurbishment of Main House at St Mary's House £0k (£1,501k 2022/23).

16 Inventories

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Energy, consumables and work in progress	**64**	39
Total	**64**	39
Of which held at net realisable value:	**64**	39

16.1 Inventories recognised in expenses

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Inventories recognised as an expense in the year	**39**	47
Total	**39**	47

Notes to the accounts

17 Trade and other receivables

	Current		Non-current	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Trade Receivables				
Contract receivables	**5,173**	2,356		
Accrued Income	**2,691**	7,973		
Allowance for impaired contract receivables	**(432)**	(432)		
Prepayments	**3,159**	1,314	**7,669**	6,529
Interest Receivable	**562**	450		
PDC Receivable	**90**	401		
VAT	**837**	1,150		
Other receivables	**7**	8	**221**	268
Total	**12,087**	13,220	**7,890**	6,797

The majority of trade is with Integrated Commissioning Boards (ICBs), as commissioners for NHS patient care services. As ICBs are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

Credit scoring is not applied to other receivables

17.1 Receivables past their due date but not impaired

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
By up to three months	**950**	508
By three to six months	**23**	41
Over six months	**5**	18
Total	**978**	567

The Trust does not consider the above debtors, past their due date, to be impaired, based on previous trends and experience.

17.2 Allowances for credit losses

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Balance at 1 April	**432**	774
Increase/(decrease) in receivables impaired		(342)
Balance at 31 March	**432**	432

The provision for impairment of receivables for the year ended 31 March 2024 has remained stable after taking all factors into consideration regarding the potential for recovery.

18 Cash and cash equivalents

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Balance at 1 April	**122,374**	120,754
Net change in year	**(5,696)**	1,620
Balance at 31 March	**116,678**	122,374
Made up of		
Cash with Government Banking Service	**116,542**	122,262
Commercial banks and cash in hand	**136**	112
Cash and cash equivalents as in statement of financial position	**116,678**	122,374
Cash and cash equivalents as in statement of cash flows	**116,678**	122,374

Notes to the accounts

19 Non-current assets held for sale

At 31 March 2024 there are no assets held for sale (Nil in 2022/23).

20 Trade and other payables

	Current	
	Year ended 31 March 2024	Year ended 31 March 2023
	£000	£000
Trade payables	**13,360**	13,601
Amounts due to other related parties		
Non NHS trade payables - capital	**2,295**	3,916
Accruals	**20,299**	24,908
Other	**5,930**	778
Total	**41,884**	43,203

21 Borrowings

	Current		Non-current	
	Year ended 31 March 2024	Year ended 31 March 2023	**Year ended 31 March 2024**	Year ended 31 March 2023
	£000	£000	**£000**	£000
PFI liabilities	**5,888**	2,592	**15,721**	10,306
Finance Leases	**821**	878	**4,326**	4,466
Total	**6,709**	3,470	**20,047**	14,772

22 Other liabilities

	Current	
	Year ended 31 March 2024	Year ended 31 March 2023
	£000	£000
Deferred Income	**5,237**	7,758
Total	**5,237**	7,758

23 Finance lease obligations

	Year ended 31 March 2024	Year ended 31 March 2023
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	**999**	1,041
- later than one year and not later than five years;	**2,599**	2,419
- later than five years.	**2,352**	2,767
Total gross future lease payments	**5,950**	6,227
Finance charges allocated to future periods	**(803)**	(883)
Net finance lease liabilities at 31 March 2024	**5,147**	5,344

23.1 Reconciliation of the carrying value of lease liabilities

	Year ended 31 March 2024	Year ended 31 March 2023
	£000	£000
Carrying value at 31 March 2023	**5,344**	
IFRS 16 implementation		4,847
Lease additions / remeasurements	**579**	1,555
Interest charge arising in year	**169**	45
Lease payments	**(963)**	(1,103)
Carrying value at 31 March 2024	**5,129**	5,344

Notes to the accounts

24 Private Finance Initiative (PFI) contracts

PFI schemes on-Statement of Financial Position

The PFI contract is for the provision of seven mental health units, providing a comprehensive range of mental health services. The estimated capital value of the PFI scheme is £43,778k. The first unit opened in December 2001 and the last unit opened in February 2003. The contract end date is July 2028. The Trust has the right to purchase the units at market value at the end of the contract.

More detail is provided in the PFI accounting policy in note 1.7

Minimum amounts payable under the contract:

Asset financing component	**Gross Payments**		**Present value of payments**	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Not later than one year	**7,413**	6,619	**7,136**	6,372
Later than one year, not later than five years	**17,296**	22,065	**14,814**	18,264
Later than five years				
Sub total	**24,709**	28,684	**21,950**	24,636
Less: finance cost attributable to future periods	**(3,099)**	(15,787)	**(340)**	(11,739)
Total	**21,610**	12,897	**21,610**	12,897

Services component	**Gross Payments**	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Not later than one year	**8,332**	7,441
Later than one year, not later than five years	**19,442**	24,803
Later than five years		
Total	**27,774**	32,244

The future services amounts due as at 31 March 2024 reflect an adjustment for the RPI indexation of the unitary payment applied during 2023/24.

The amount charged to operating expenses during the year in respect of services was £7,597k (2022/23 £7,028k).

24.1 Analysis of amounts payable to service concession operator

	Gross Payments	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Unitary payment	**17,570**	15,663
Consisting of:		
- Interest charge	**1,978**	1,143
- Repayment of finance lease liability	**5,435**	2,392
- Service element and other charges to operating expenses	**8,160**	7,473
- Capital lifecycle maintenance		
- Revenue lifecycle maintenance	**857**	813
- Contingent rent		3,084
- Addition to lifecycle prepayment	**1,140**	758
Total	**17,570**	15,663

The addition to lifecycle prepayment relates to a rent free period at the end of the contract £1,140k (£758k 2022/23). Service element and other charges to operating expenses includes the operating lease payments for the land element of the properties £481k (£445k 2022/23).

Notes to the accounts

25 Provisions

	Current		Non-current	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Pensions relating to other staff	**156**	141	**1,045**	1,077
Legal claims	**38**	175		
Redundancy		2,182		
Other	**1,908**	1,961	**5,519**	6,929
Total	**2,102**	4,459	**6,564**	8,006

	Pensions relating to other staff £000	**Legal claims £000**	**Redundancy £000**	**Other £000**	**Total £000**
At 1 April 2022	1,514	71	2,552	5,494	9,631
Arising during the year	158	166	347	4,476	5,147
Change in discount rate	(226)				(226)
Used during the year	(143)	(48)		(626)	(817)
Reversed unused	(65)	(14)	(717)	(454)	(1,250)
Unwinding of discount	(20)				(20)
At 31 March 2023	1,218	175	2,182	8,890	12,465
At 1 April 2023	1,218	175	2,182	8,890	12,465
Arising during the year	161	57		33	251
Change in discount rate	(45)			(49)	(94)
Used during the year	(154)	(14)		(1,515)	(1,683)
Reversed unused		(21)	(2,182)	(126)	(2,329)
Unwinding of discount	21			15	36
At 31 March 2024	**1,201**	**197**		**7,248**	**8,646**
Expected timing of cash flows:					
Between 1 April 2024 and 31 March 2025	155	197		1,750	2,102
Between 1 April 2025 and 31 March 2029	1046			5,305	6,351
Thereafter				193	193
TOTAL	**1,201**	**197**		**7,248**	**8,646**

The pensions provision is in respect of employees who have taken early retirement through injury or prior to 1995. These provisions are calculated using current year payments and GAD tables as issued by the Office for National Statistics. The GAD tables provide an estimate of remaining lives, which the provision is based on. Payments made against the pensions provisions are quarterly to the NHS Business Services Authority Pensions Division. Due to the nature of the other provisions, there is no certainty regarding the timing of payments.

The legal claims provision is in respect of excess payments to NHS Resolution for employers' and public liability claims. NHS Resolution provides estimates of the likely outcome of the case and damages/costs to be paid. The provision is calculated based on these estimates. It also includes legal costs for an employee tribunal £158k (£120k 2022/23).

Other provisions comprise the commitment placed on the Trust in ensuring it meets its obligations in respect of dilapidation costs £393k (£563k 2022/23), IT software contracted out services vat £258k (£321k 2022/23), equal pay claimed £nil (£24 2022/23), Pension Annual Allowance (as per national guidance) £228k (£276k 2022/23) and onerous contracts in relation to two of the Trust's PFI assets £6,370k (£7,705k 2022/23).

The unwinding of discount on the provisions appears as a finance cost on the face of the Statement of Comprehensive Income.

Leeds and York Partnership NHS Foundation Trust has no expected reimbursements for any class of provision made.

£7,089k is included in the provisions of the NHS Resolution at 31 March 2024 in respect of the clinical negligence liabilities of the Trust (31 March 2023 £12,785k).

Notes to the accounts

26 Contingent liabilities

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Other	**22**	27
Total	**22**	27

Contingent liabilities represent excess payments not provided for on legal cases being dealt with by NHS Resolution, on the Trust's behalf, (primarily in respect of employer's liability - £22k in 2023/24 and £27k in 2022/23). Due to the nature of the amounts and timing of the cash flows it would be impractical to estimate the value and timings of the amounts and cash flows.

27 Financial Instruments

Leeds and York Partnership NHS Foundation Trust's financial assets are classified either as "loans and receivables" financial assets. All the Trust's financial liabilities are classified as "other liabilities".

Leeds and York Partnership NHS Foundation Trust undertakes active financial risk management to manage its exposure to risk, particularly credit risk and treasury risk. Similar to general risk management, financial risk management requires identifying its sources, measuring it and implementing plans to address them.

27.1 Financial assets - carrying amount

	Loans and receivables £000
Receivables	10,617
Cash at bank and in hand	122,374
Total at 31 March 2023	132,991
Receivables	7,994
Cash at bank and in hand	116,678
Total at 31 March 2024	**124,672**

Ageing of over due receivables included in Financial Assets

Receivables overdue by:	
1-30 days	449
31-60 days	65
61-90 days	
91-180 days	25
Greater than 180 days	
	539

27.2 Financial liabilities - carrying amount

	£000
Embedded derivatives	
Payables	43,203
PFI and finance lease obligations	18,242
Provisions under contract	12,143
Total at 31 March 2023	73,588
Embedded derivatives	
Payables	**35,196**
PFI and finance lease obligations	**26,756**
Provisions under contract	**8,408**
Total at 31 March 2024	**70,360**

27.3 Fair values of loans and receivables and other financial liabilities

The fair value of current loans and receivables are considered to be equal to their carrying amounts. There are no non-current loans and receivables.

The fair values of current financial liabilities are considered to be equal to their carrying amounts.

Notes to the accounts - 27. Financial instruments (continued)

27.4 Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Leeds and York Partnership NHS Foundation Trust's activities are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Consequently the Trust's financial risks are relatively small in comparison with commercial entities. The Trust does not use financial instruments to alter or hedge its risk and therefore their importance to the Trust's finances are similarly relatively low.

Credit risk

This is the risk that other parties may not pay amounts that are due from them to Leeds and York Partnership NHS Foundation Trust. The majority of the Trust's income comes from contracts with other public sector bodies, however, and therefore the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2024 are in receivables from customers, as disclosed in the Trade and other receivables note.

Leeds and York Partnership NHS Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. The Trust mitigates the risks surrounding treasury management by investing in low risk banks/government backed investors. Trust treasury activity is subject to review by the Trust's internal auditors.

Liquidity risk

Leeds and York Partnership NHS Foundation Trust's net operating costs are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Leeds and York Partnership NHS Foundation Trust also largely finances its capital expenditure from funds generated through operating surpluses. Consequently, the Trust is not considered to be exposed to significant liquidity risks (the inability of paying financial liabilities).

Leeds and York Partnership NHS Foundation Trust's main long term liability is its PFI obligation, with the contract ending in 2028. Further information on the commitments under this contract are provided in note 24.

Market risk

Market risk comprises three elements: foreign currency risk, interest rate risk and price risk.

Foreign currency risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be affected materially by foreign exchange gains and losses on foreign currency transactions. However the Trust has no foreign currency income and negligible foreign currency expenditure. Consequently, exposure to currency risk is not significant.

Interest rate risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be materially affected by changes in interest rates on financial liabilities, e.g. borrowing and financial assets. However, a high percentage of the Trust's financial assets and a high percentage of its financial liabilities carry nil or fixed rates of interest. Leeds and York Partnership NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk.

Price risk

As explained in note 24, Leeds and York Partnership NHS Foundation Trusts' annual unitary payment under its PFI scheme is subject to annual indexation in line with the RPIX. The Trust is therefore exposed to pricing risk in this regard. The annual adjustments are reflected in finance costs, operating expenses and property, plant and equipment additions respectively.

For 2023/24 the percentage increase in the unitary payment was 11.98%, equalling a monetary increase of £1,729k (7.61%, £844k in 2022/23).

The table below shows a sensitivity analysis of the impact on cash payments and on the surplus/deficit for the year if the uplift had been between 3.7% and 5.5%.

2023/24 Uplift in unitary payment	**Actual uplift at 11.98%**	**Uplift at 3.7%**	**Uplift at 5.5%**
	£000	**£000**	**£000**
Recognised in finance costs	781	(1,366)	(899)
Recognised in operating expenses	948	293	435
Recognised in surplus/deficit	1,729	(1,073)	(464)
	1,729	(1,073)	(464)
Net impact of sensitivities on surplus/(deficit)		**2,802**	**2,193**

2022/23 Uplift in unitary payment	**Actual uplift at 7.61%**	**Uplift at 3.7%**	**Uplift at 5.5%**
	£000	**£000**	**£000**
Recognised in finance costs	284	43	154
Recognised in operating expenses	560	272	404
Recognised in surplus/deficit	844	315	558
	844	315	558
Net impact of sensitivities on surplus/(deficit)		**529**	**286**

Notes to the accounts

28 Related party transactions

Leeds and York Partnership NHS Foundation Trust is a public benefit corporation, which was established by the granting of authorisation by the independent Regulator for NHS Foundation Trusts, NHS Improvement.

Government Departments and their agencies are considered by HM Treasury as being related parties. During the year the Trust has had a significant number of material transactions with other NHS Bodies. In addition, the Trust has had a significant number of material transactions in the ordinary course of its business with other Government Departments and other central and local Government bodies.

During the year 2023/24, Leeds and York Partnership NHS Foundation Trust had significant transactions with Leeds University, where 1 Non Executive Director of the Trust's Board holds a position of employment with the university and with the Alzhimers Society where the DHSC is the related party

28.1 Related party transactions - members of the Board of Directors

During the year Leeds and York Partnership NHS Foundation Trust had the following material transactions with entities, which are considered related parties to members of the Board of Directors of the Trust:

	Payments to Related Parties	Receipts from Related Parties	Amounts owed to Related Parties	Amounts due from Related Parties
	£000	**£000**	**£000**	**£000**
University of Leeds (2023/24)	**576**	**119**	**40**	
University of Leeds (2022/23)	413	99	1	12

In 2023/24, the Trust had £3k of related party transactions with its charitable fund (2022/23 £3k).

28.2 Related party transactions - commitments (year ending 31/3/2025)

	Income £000
West Yorkshire ICB	146,186
NHS England	29,051
	175,237

These commitments are material transactions relating to NHS bodies. The figures are draft and relate to block contract values.

The Trust has no expenditure commitments with related parties for the year ending 31 March 2025.

Notes to the accounts - 28. Related party transactions (continued)

28.3 Related party transactions - UK Government ultimate parent

	Income		Expenditure	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Department of Health and Social Care	**1,132**	928		4
Other DHSC Group bodies	**228,117**	216,672	**13,396**	12,775
Other	**10,687**	1,692	**38,470**	34,417
Total	**239,936**	219,292	**51,866**	47,196

	Receivables		Payables	
	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Department of Health and Social Care	**8**	178		
Other DHSC Group bodies	**5,160**	7,570	**2,611**	2,990
Other	**837**	1150	**5,930**	
Total	**6,005**	8,898	**8,541**	2,990

29 Intra-Government and other balances	**Current receivables £000**	**Non-current receivables £000**	**Current payables £000**	**Non-current payables £000**
Balances with other Central Government bodies	837		5,930	
Balances with Local Authorities				
Balances with NHS bodies	5,168		2,611	
Intra Government balances	**6,005**		**8,541**	
Balances with bodies external to Government	6,083	7,890	33,342	
At 31 March 2024	**12,088**	**7,890**	**41,883**	
Balances with other Central Government bodies	1,150			
Balances with Local Authorities				
Balances with NHS bodies	7,748		2,990	
Intra Government balances	**8,898**		**2,990**	
Balances with bodies external to Government	4,322	6,797	40,213	
At 31 March 2023	**13,220**	**6,797**	**43,203**	

30 Third party assets

The Trust held £370k cash and cash equivalents at 31 March 2024 (£362k 2022/23), which relates to monies held on behalf of service users.

31 Losses and special payments

There were 4 cases of losses totalling £48k (4 in 2022/23 totalling £2k) and 29 special payments totalling £30k (16 in 2022/23 totalling £48k) during the year. These amounts are reported on an accruals basis, excluding provisions for future losses.

	Number	**Value £000**
Losses		
Cash - other	2 (3)	0 (0)
Bad debts - other	2 (1)	48 (2)
Total	**4 (4)**	**48 (2)**
Special payments		
Ex-gratia - loss of personal effects	20 (12)	5 (10)
Ex-gratia - personal injury with advice	9 (4)	25 (38)
Total	**29 (16)**	**30 (48)**

Figures in brackets relate to 2022/23.

Notes to the accounts

32 Events after the reporting period

There were no events after the reporting period that had an impact on the Trust's 2023/24 accounts (2022/23: none).

33 Charitable Fund

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Income	**6**	3
Expenditure	**(7)**	(113)
Net movement in funds	**(1)**	(110)
Current assets	**119**	168
Current liabilities	**(10)**	(40)
Total Charitable Funds	**109**	128

The Charitable fund is not consolidated within these accounts but is disclosed in line with IAS 27 (revised).

34 Impact of change in accounting policy for on-SoFP PFI, LIFT and other service concession liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession 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. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

34.1 Impact of change in accounting policy on the allocation of unitary payment

	IFRS 16 basis (new basis) 2023/24 £000	IAS 17 basis (old basis) 2023/24 £000	Impact of change 2023/24 £000
Unitary payment payable to service concession operator	**17,570**	**17,570**	
Consisting of:			
- Interest charge	1,978	944	1,034
- Repayment of balance sheet obligation	5,435	2,592	2,843
- Service element	8,160	8,160	
- Lifecycle maintenance	857	857	
- Contingent rent		3,877	(3,877)
- Addition to lifecycle prepayment	1,140	1,140	

34.2 Impact of change in accounting policy on primary statements

Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:	**£000**
Increase in PFI / LIFT and other service concession liabilities	(11,303)
Decrease in PDC dividend payable / increase in PDC dividend receivable	
Increase in cash and cash equivalents (impact of PDC dividend only)	195
Impact on net assets as at 31 March 2024	**(11,108)**
Impact of change in PFI accounting policy on 2023/24 Statement of Comprehenaive Income:	**£000**
PFI liability remeasurement charged to finance costs	(3,030)
Increase in interest arising on PFI liability	(1,034)
Reduction in contingent rent	3,877
Reduction in PDC dividend charge	195
Net impact on surplus / (deficit)	**8**
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	(11,116)
Net impact on 2023/24 surplus / deficit	8
Impact on equity as at 31 March 2024	**(11,108)**
Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	**£000**
Increase in cash outflows for capital element of PFI / LIFT	(2,843)
Decrease in cash outflows for financing element of PFI / LIFT	2,843
Decrease in cash outflows for PDC dividend	195
Net impact on cash flows from financing activities	**195**

CONTACT INFORMATION

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If you have a comment for our Chief Executive, please contact:
Dr Sara Munro

Tel: 0113 85 55913
Email: denise.campbell6@nhs.net

Patient Advice and Liaison Services (PALS)
If you need any help or advice about our services, please contact:
PALS Team

Tel: 0800 0525 790 (Freephone)
Email: pals.lypft@nhs.net

Membership
If you are interested in becoming a member of Leeds and York Partnership NHS Foundation Trust, please contact:
The Membership Office

Tel: 07977327628
Email: ftmembership.lypft@nhs.net
Web: www.leedsandyorkpft.nhs.uk/membership

Communications
If you have a media enquiry, require further information about our Trust or would like more copies of this report please contact:
The Communications Team

Tel: 0113 85 55989
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Members of the Board of Directors and Council of Governors
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