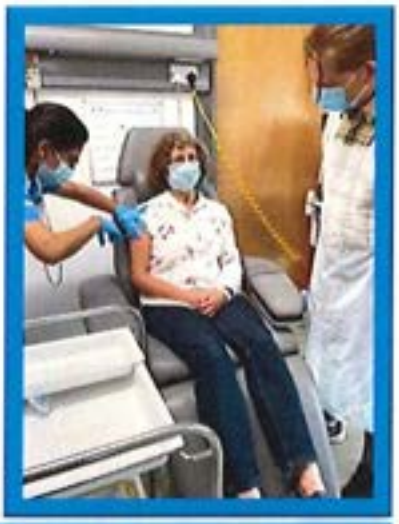
Manchester University NHS Foundation Trust
Annual Report and Accounts
1st April 2021 to 31st March 2022



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

Contents

Quality Report

NHS Improvement has advised NHS Foundation Trusts that they do not need to provide a Quality Report for 2021/22 as part of this document. Quality is therefore covered within the Performance Report.

1. Welcome and highlights of 2021/22

Welcome from our Chairman and Chief Executive

As we reflect on another year that has been shaped by the COVID-19 pandemic, we are incredibly proud of the exceptional care and dedication that our staff and partner organisations have continued to deliver.

While the last 12 months have presented ongoing and emerging challenges, we have seen so many great examples of staff continuously pulling together to keep patients safe and improve the standard of care they receive. With that in mind, we would like to thank everybody for all their hard work, which is greatly appreciated by Manchester University NHS Foundation Trust (MFT), our patients and their families.

After two years, the pandemic is continuing to have an impact on health services locally and nationally. A key priority for us, along with the NHS as a whole, is to focus on our elective recovery programme so that we can see those patients who have been waiting the longest as quickly as we can. It is humbling to see the determination of our teams to continuously improve the way in which we provide our services either through new pathways and innovations, or through greater partnership working.

The resilience of teams across our Hospitals, Managed Clinical Services and Local Care Organisations has been truly remarkable. One positive legacy of the pandemic has been the introduction of our enhanced Employee Health and Wellbeing Service. We are encouraging all our staff to explore the wide range of health and wellbeing offers we now have, which include advice on rehabilitation and adjustments at work and rapid access interventions. It is really important that we all support each other over the coming weeks and months.

COVID-19 aside, our first and foremost responsibility is the safety of our patients and our 28,000 staff. From an operational perspective, our transformational Hive programme, which is going live in September 2022, will enable us to deliver better, safer clinical decisions. At the same time, it will mean we can work more efficiently and effectively while giving patients greater control over their health and care.

Hive, which is the largest Electronic Patient Record (EPR) programme implemented to date, is just one example of where MFT is leading the way. Our work to transform North Manchester General Hospital continues, and is widely recognised as the cornerstone of the regeneration strategy for that part of our city. While we are awaiting final funding decisions from the national New Hospital Programme, work is underway on the new Multi-Storey Car Park and Cycle Hub, which is scheduled to open in March 2023.

We remain at the forefront of translating research discoveries into clinical care. For example, MFT has been selected as the first UK site for the NHS roll out of gene therapy treatment for babies and young children with a rare, life-limiting genetic disease. We also continue to improve the care environment for our patients, with massive improvements to the emergency departments of Manchester Royal Infirmary and Royal Manchester Children's Hospital on the Oxford Road site underway.

The huge efforts that have been made and the results that have been achieved over the last 12 months have been outstanding against the backdrop of COVID-19. We have a lot to be proud of and thankful for, including our incredible workforce which we are committed to investing in through our People Plan. Our ambition is to make MFT a first choice employer for anyone starting their career or seeking new opportunities in the NHS.

The road ahead will inevitably require us to continue to be resilient and work hard to maintain the high quality services we are renowned for. Never before has looking out for each other been so important – we need to remain vigilant and prepared for future COVID-19 variants, while also building upon the valuable lessons already learnt.

As the largest acute NHS Trust in England, we have unrivalled resources to deliver outstanding care, education, training and research. We will continue to explore and leverage these opportunities for the benefit of our staff, patients and all the communities we serve.

Kathy Cowell OBE DL
Group Chairman

Sir Michael Deegan CBE
Group Chief Executive

1.1 Highlights of 2021/22

April 2021

The final stage of the long-held ambition to provide a Single Hospital Service for patients in the City of Manchester and Trafford was successfully completed. On 1st April, **North Manchester General Hospital**, previously part of **Pennine Acute Hospitals NHS Trust**, formally joined the **MFT.** https://mft.nhs.uk/2021/04/01/north-manchester-general-hospital-formally-joins-manchester-university-nhs-foundation-trust-to-complete-creation-of-single-hospital-service-for-manchester/

A total of 13 members of staff from **MFT** were shortlisted for an award in the National Black, Asian and Minority Ethnic (BAME) Health and Care Awards – the highest number of shortlisted nominations for any Trust in the country. Nour Moterek and Hafsa Atique-Ur-Rehman from the Pharmacy Team (CSS) went on to become winners within the Workforce Innovator of the Year category. https://mft.nhs.uk/2021/04/22/success-for-mft-at-the-first-virtual-ceremony-for-the-national-bame-awards/

May 2021

A new, life-saving helipad, the first elevated helipad of its kind in the North West, opened to patients at **MFT.** Situated on the roof of the Grafton Street car park on Oxford Road Campus, the state-of-the-art landing pad means critically ill or injured babies, children and adults can be airlifted straight to MFT hospitals in Manchester city centre. https://mft.nhs.uk/2021/05/10/the-first-elevated-helipad-of-its-kind-in-the-north-west-opens-at-manchester-university-nhs-foundation-trust/

Ambitious new plans to transform the Emergency Department (ED) at **Manchester Royal Infirmary (MRI)** were given planning approval by Manchester City Council. The £40 million renovation project will boost the capabilities of MRI, which is a Major Trauma Centre for Greater Manchester and part of **MFT.** https://mft.nhs.uk/2021/05/17/manchester-royal-infirmary-unveils-40million-ae-transformation-project/

Dr Sohail Munshi, Chief Medical Officer of **Manchester and Trafford Local Care Organisations** (part of MFT), is appointed to a national role with the NHS England Primary Care Team. He will be spending a day a week with the team, combining it with his LCO role and work as a GP in Manchester. https://www.manchesterlco.org/lcos-dr-sohail-munshi-appointed-to-national-primary-care-role/

June 2021

Jemma Haines, Chief Allied Health Professional at **MFT**, was awarded an MBE in the Queen's birthday honours list. The Honour was given in recognition of Jemma's leadership within the field of upper airway respiratory disorders in speech and language therapy, in addition to her significant contribution and response to supporting modifications to practice during the COVID-19 pandemic. https://mft.nhs.uk/2021/06/11/manchester-speech-and-language-therapist-at-englands-largest-nhs-trust-awarded-mbe-in-queens-birthday-honours/

The Group Chief Pharmacist at MFT, Charlotte Skitterall, was appointed as a Fellow of the Royal Pharmaceutical Society (RPS). The prestigious honour is the highest honour given to an RPS member, https://mft.nhs.uk/2021/06/09/mfts-group-chief-pharmacist-appointed-with-prestigious-honour-by-the-royal-pharmaceutical-society/

July 2021

The Chief Operating Officer of the **NIHR Clinical Research Network (CRN) Greater Manchester** volunteered to take part in a COVID-19 booster vaccine study. Sarah Fallon volunteered for the study that was trialling an Oxford/AstraZeneca variant vaccine aimed at preventing the Beta variant. https://mft.nhs.uk/2021/07/22/chief-operating-officer-of-crn-greater-manchester-participates-in-covid-19-booster-vaccine-study-at-mft/

The exceptional contribution of three **MFT** colleagues to research and innovation was recognised by the **Manchester Academic Health Science Centre (MAHSC).** Dr Simon Jones, Dr Handrean Soran, and Dr Bella Starling were among the 14 outstanding individuals announced as MAHSC's Honorary Clinical Chairs for 2021.

MAHSC, part of **Health Innovation Manchester**, awards the honorary appointments to individuals who have made a major contribution to their clinical speciality, including excellence in research and education. https://mft.nhs.uk/2021/07/28/appointments-of-new-mahsc-honorary-clinical-chairs-recognise-contributions-to-research-and-innovation-at-mft/

August 2021

A ground-breaking study started at **MFT**, with researchers actively recruiting participants to one arm of the study that was being run from **Manchester Royal Infirmary (MRI)**. The second arm started shortly afterwards at **Wythenshawe Hospital**. The national AGILE platform is focused on fast-tracking potential new COVID-19 therapies through early phase clinical trials to help find drugs that can prevent people who contract the virus from becoming severely ill. https://mft.nhs.uk/2021/08/06/people-across-greater-manchester-to-be-part-of-pioneering-research-in-the-fight-against-covid-19/

September 2021

A 70-year-old woman, forced to live with a cough since her 40s, becomes the first person in the world to receive a potential new cough treatment at the **NIHR Manchester Clinical Research Facility (CRF).** The global research lead for the study, Professor Jacky Smith, Consultant at **Wythenshawe Hospital**, part of **MFT**, and Professor of Respiratory Medicine at The University of Manchester, played an integral role in the worldwide search for a treatment for chronic cough (a cough lasting eight or more weeks). https://mft.nhs.uk/2021/09/02/woman-who-has-lived-with-cough-for-30-years-receives-world-first-dose-of-potential-new-cough-treatment-at-wythenshawe-hospital/

During Organ Donation Week, **MFT** joined forces with **NHS Blood and Transplant (NHSBT)** to travel a combined 7,000 miles in the Race for Recipients. A total of 20 members of staff from **MFT** and partner NHS Trusts across the North West cycled more than 70 miles between the North West Transplant Centres. https://mft.nhs.uk/2021/09/23/mft-hospitals-race-for-recipients-to-support-organ-donation-week/

A phase one trial of one of the world's first multivariant COVID-19 vaccine, GRT-R910, was launched by US pharmaceutical company, Gritstone, in collaboration with **MFT** and The University of Manchester. GRT-R910 was developed to boost the immune response of first-generation COVID-19 vaccines to an array of variants of Sars-Cov-2 that cause COVID-19. The trial took place at the **National Institute of Health Research Manchester Clinical Research Facility** at **Manchester Royal Infirmary,** https://mft.nhs.uk/2021/09/20/early-trial-of-first-multivariant-covid-19-vaccine-booster-begins-in-manchester/

MFT celebrated its veterans and reservists in a special ceremony culminating in the Armed Forces Covenant Silver Award presentation. This accreditation acknowledges employer organisations that pledge, demonstrate or advocate support to the defence and the armed forces community, and align their values with the Armed Forces Covenant. https://mft.nhs.uk/2021/09/15/mft-celebrates-silver-award-for-its-commitment-to-the-armed-forces-community/

October 2021

Manchester Local Care Organisation (part of MFT) won two accolades at the annual Nursing Times Awards 2021 ceremony. The North Manchester Lymphoedema Service won for Promoting Patient Self-Management: Promoting lower limb lymphoedema self-care management strategies for patients with learning disabilities and the Manchester Healthy Weight Team (part of Children's Community Health Services) took home the award for Public Health.
https://www.manchesterlco.org/mlco-win-big-at-the-nursing-times-awards-2021/

Research by The University of Manchester and **MFT** scientists find that children with adrenal insufficiency have a higher risk of dying than those with other lifelong conditions. The study of parents and children coping with conditions that cause adrenal insufficiency, such as Addison's disease and congenital adrenal hyperplasia, showed that administration of potentially life-saving injections given at the time of acute illness is poor. https://mft.nhs.uk/2021/10/26/action-needed-on-high-mortality-in-children-with-adrenal-insufficiency/

Pioneering care and research across **MFT** features in a new national exhibition on cancer breakthroughs at the Science and Industry Museum in Manchester. 'Cancer Revolution: Science, innovation, and hope', explores the past, present, and future of how cancer is prevented, detected, and treated, through objects, personal stories, films, photography, and interactive exhibits.
https://mft.nhs.uk/2021/10/26/pioneering-mft-research-featured-in-national-cancer-exhibition/

November 2021

New research led by **MFT** and The University of Manchester that could revolutionise the diagnosis and treatment for people with Perrault syndrome was published. The international collaboration was led by Professor Bill Newman, Consultant at **MFT** and Genomic Solutions Associate Lead for **Manchester BRC's** Hearing Health theme. Professor Ray O'Keefe, Professor of Molecular Genetics at the **University of Manchester** co-led the study. Published in the American Journal of Human Genetics, the research was funded by several organisations including, the **National Institute for Health Research (NIHR) Manchester Biomedical Research Centre (BRC)**, Action Medical Research and The Royal National Institute for Deaf People (RNID). https://mft.nhs.uk/2021/11/03/manchester-led-international-research-collaboration-link-genes-to-condition-which-causes-hearing-loss-and-infertility/

MFT signs a collaboration and data-sharing agreement with Manchester-based health technology start-up, Rinicare, to further develop Rinicare's advanced clinical risk prediction technology platform, STABILITY. Rinicare's clinical risk prediction technology is powered by sophisticated algorithms and designed to provide clinicians working in critical care with an early warning of patients, who are at risk of deterioration. https://mft.nhs.uk/2021/11/12/mft-enters-data-sharing-collaboration-with-rinicare-to-further-develop-clinical-risk-prediction-technology/

December 2021

A Royal Manchester Children's Hospital patient becomes the first young person in the world to take part in a study researching a new drug to treat itching caused by kidney failure. Dr Amrit Kaur, a Consultant in Paediatric Nephrology at Royal Manchester Children's Hospital, part of **MFT**, is leading the KOR-PED study. The main aim is to investigate the pharmacokinetics (how the medication is absorbed and removed by the body) of a single dose of the study drug.
https://mft.nhs.uk/2021/12/15/royal-manchester-childrens-hospital-recruits-first-global-participant-to-new-drug-trial-for-adolescent-haemodialysis-patients/

Staff at **North Manchester General Hospital** moved into a new modular building on site. The building is part of wider works planned as part of the £70 million total redevelopment of the Crumpsall site.

https://mft.nhs.uk/2021/12/20/north-manchester-house-opens-to-staff-marking-one-of-the-milestones-on-north-manchester-general-hospitals-redevelopment-journey/

January 2022

MFT joined a growing group of like-minded organisations that are working together to realise the benefits of using health data for research and innovation for public benefit as part of the UK Health Data Research Alliance. MFT was one of six new data custodians to join the Alliance, an independent body made up of leading healthcare and research organisations that are united in establishing best practice for the ethical use of UK health data for research at scale. https://mft.nhs.uk/2022/01/25/mft-joins-uk-partners-to-maximise-the-benefits-of-health-data/

MFT joined partners from around the world as part of the Smart Hospital Alliance (SHA) to drive the expansion of cutting-edge digital health technologies for the benefit of our patients and communities. https://mft.nhs.uk/2022/01/13/mft-joins-international-hospital-alliance-to-improve-patient-care/

A new trial opened in Greater Manchester to test cutting-edge wearable technologies on patients who have received cancer treatment. Called, Enhanced Monitoring for Better Recovery and Cancer Experience (EMBRaCE), the trial is a collaboration between **MFT**, **The Christie NHS Foundation Trust** and **The University of Manchester.** The initial phase focused on blood cancer, lung and colorectal cancer patients. https://mft.nhs.uk/2022/01/26/trial-of-wearable-health-technology-for-cancer-patients-opens/

February 2022

MFT was selected as the first UK site for the NHS roll out of a life-saving gene therapy for rare disease affecting babies. The revolutionary gene therapy treatment is known by its brand name, Libmeldy, and is used to treat Metachromatic Leukodystrophy (MLD), which causes severe damage to the child's nervous system and organs, and results in a life expectancy of five to eight years. The treatment is being delivered within **Royal Manchester Children's Hospital**, in collaboration with **Manchester's Centre for Genomic Medicine at Saint Mary's Hospital**, both part of **MFT.** https://mft.nhs.uk/2022/02/04/mft-selected-as-first-uk-site-for-nhs-roll-out-of-life-saving-gene-therapy-for-rare-disease-affecting-babies/

The MFT-hosted **NIHR Manchester Clinical Research Facility (MCRF)** received a £15.5 million award, further enabling it to provide opportunities for people of all ages and backgrounds across Greater Manchester to take part in research. The funding will enable MCRF to further grow its experimental medicine provision across Greater Manchester during the next five years, along with partners at **The Christie NHS Foundation Trust** and **Northern Care Alliance NHS Foundation Trust.** https://mft.nhs.uk/2022/02/28/new-funding-boost-for-delivery-of-early-stage-clinical-research-across-greater-manchester/

March 2022

Her Royal Highness, The Princess Royal, officially unveiled the helipad at **Oxford Road Campus (ORC)** and visited maternity services at **Saint Mary's Hospital**, both part of **MFT**, in her role as Patron of the Royal College of Midwives (RCM). She also visited the Antenatal Clinic and Delivery Suite at **Saint Mary's Hospital**, which won the Royal College of Midwives Midwifery Service of the Year Award in 2021. https://mft.nhs.uk/2022/03/02/hrh-the-princess-royal-opens-lifesaving-helipad-in-manchester-and-visits-maternity-unit/

Two leading **MFT** researchers are appointed Senior Investigators by the National Institute for Health Research (NIHR). Professor Rick Body, MFT Group Director for Research and Innovation, and Professor Maya H Buch, Honorary Consultant Rheumatologist at MFT's **Manchester Royal Infirmary (MRI)**, were named in the list of 30 new Senior Investigators appointed for 2022 across England. https://mft.nhs.uk/2022/03/14/mft-researchers-receive-prestigious-national-appointments/

1.2 Service developments

In 2021/22 our Transformation Team have continued to lead the transformational elements of our Recovery Programme. This involves not only restoring services, but transforming and delivering them in different ways to support the rapid and safe stepping-up of services to meet high demand and long-waiting patients. New ways of working have been essential to ensure we maximise the capacity of our clinical teams and facilities, and enable our patients to easily access care, for example, offering virtual appointments where appropriate.

The team is also delivering the programme that will enable the organisation to be ready to 'go live' with our new Electronic Patient Record (EPR) – Hive. The Transformation team have working with the Hive and Hospital/Managed Clinical Service teams to identify the high impact changes that will occur through the Hive implementation, and developing and starting to implement the change plans with the teams.

Looking ahead to 2022/23, the Transformation Team will continue to support and lead the Recovery Programme across urgent care, elective in-patients and outpatients. Working with clinical teams they will help to redesign and standardise pathways to:

- Improve each patient's journey
- Boost staff productivity
- Make maximum use of our buildings, facilities and resources
- Introduce more single site/integrated working
- Support our patients, who want to take more control of managing their conditions and treatment

They will do this by continuing to:

- Develop and promote standardisation and waste reduction
- Improve operational processes
- Improve the efficiency and effectiveness of clinical pathways
- Introduce new and improved clinical models and support best practice
- Enhance the virtual models of care, including virtual appointments and the development of a virtual ward environment
- Support innovation and the adoption of new approaches, utilising technology, where possible, to support development
- Deliver sound and effective change management, supporting teams through the change
- Demonstrate data-driven improvement

In the coming year, the Transformation Team will lead on the delivery of the high impact changes, with our clinical and operational teams to enable the new ways of working through Hive EPR to be implemented. The change programmes are focused on the following areas:

- Inpatients
- Outpatients
- Anaesthetics
- Theatres
- Beds, emergency department and patient flow

- Pharmacy
- Radiology, endoscopy and bronchoscopy
- Laboratory
- Access – including booking and scheduling
- MyMFT (patient portal)
- Medical records and coding
- Data and reporting.

These change programmes will support the implementation of standardised clinical and administration pathways across MFT. They have been designed by the frontline teams, combining best practice, the evidence base and experience to design the best approach for MFT. These projects will deliver improved:

- Patient journeys through standardised and MFT-designed pathways
- Patient experience thorough improved access and shared data across the organisation
- Communication between clinical teams, and clinical teams and patients and carers
- Real-time reporting and access to data.
- Data quality.

More information about Hive can be found on page 76.

1.3 Improving patient and staff experience

Despite the significant pressures brought about by the COVID-19 pandemic, examples of What Matters to Me initiatives across MFT have demonstrated the on-going focus on delivering a personalised approach to care. A framework for continuous improvement, informed by external and internal patient experience feedback, continues to be embedded across the Trust, supported by MFT IQP methodology and monitored through the Trust's clinical accreditation programme.

The MFT Experience and Involvement Strategy: Our Commitment to Patients, Families and Carers 2020-2023 builds on the What Matters to Me Patient Experience Framework. It reflects the Trust's commitment to providing the best possible patient and carer experience while aiming to ensure the highest levels of involvement, partnership working and shared leadership.

The Strategy sets the direction for the inclusion of patients and service users in relation to the co-design of services by 2023. It also outlines the following four commitments:

- Empowering patients and carers to take control of their journey by involving them in every aspect of their care, as well as the direction of our organisation
- Communicating with each other in an accessible, friendly and respectful manner
- Creating an inclusive and welcoming community for patients, carers and staff
- Listening to, acting on and learning from feedback from all service users and staff.

Maintaining the focus on patient experience has been essential during the second year of the pandemic response and has required the ways of working developed during 2020/21 to be sustained.

Year of the Nurse and Midwife

The World Health Organisation (WHO) designated 2020 as the Year of the Nurse and Midwife (YNM). Due to the Trust's response to the COVID-19 pandemic, several activities and celebrations were delayed and extended into the 2021 calendar. Supported by MFT Charity, we were able to develop and deliver a Trust-wide YNM Campaign to celebrate the unique contribution that nursing and midwifery makes across the health and social care system.

The objectives of the campaign were not only to recognise and value the work of nurses and midwives, but to create a platform to attract, recruit and retain current and future nurses and midwives, as detailed below.

- To recognise, value and celebrate the work and achievements of nurses and midwives across MFT, ensuring MFT is the place they chose to work and develop their careers
- To connect nurses and midwives with the communities we serve to gain better insight into What Matters to the people of Manchester and Trafford
- To attract future nurses and midwives into the professions and develop the future MFT workforce.

Activities included:
Follow the Lamp – The MFT Lamp, symbolising Florence Nightingale, continued its journey around all of our Hospitals/MCS/LCOs, and nurses and midwives were encouraged to 'shine a light on' and share good practice as the lamp progressed into their clinical area. At its final destination, the lamp was handed over to one of our newly-registered staff nurses at North Manchester General Hospital (NMGH) during our YNM Manchester Cathedral Event in September 2021.

Although the special event at Manchester Cathedral was re-arranged on two occasions during the first and second waves of the COVID-19 pandemic, to close MFT's extended Year of the Nurse and Midwife 2020 activities and celebrations, more than 300 nurses and midwives took part on 16th September 2021.

This special event recognised nursing and midwifery teams across the Trust, encouraged reflection on learning from the past and provided an opportunity to 'shine a light' on the excellent team-working, specialist skills and the pride our nurses and midwives take in their professions.

NMAHP Conference

Chaired by the Group Chief Nurse, our Nurses, Midwives and Allied Health Professionals (NMAHP) conference, 'Which Way Now…?', was held on 5th October 2021. It was delivered for the first time through speaker and guest presentations that were live-streamed from the education centres at Wythenshawe Hospital, Oxford Road Campus and North Manchester General. Reaching a record audience of over 500 people, the conference considered how NMAHPs practised during the pandemic, as well as the future for professions.

The conference was attended by colleagues from partner organisations, including University of Manchester and Manchester Metropolitan University, as well as colleagues from Manchester Health Care Commissioners.

The high level of interest and engagement, both internally and externally, was successful in achieving its aims, particularly in one of the most extraordinary years for the NHS, in relation to:

- Recognising, valuing, and celebrating the work and achievements of nurses, midwives and allied health professionals (AHPs) across MFT, ensuring MFT is the place they chose to work and develop their careers.
- Connecting nurses, midwives and (AHPs) with the communities we serve, gaining better insight into What Matters to them, and the people of Manchester and Trafford.

Strategy Development

Between May and September 2021, we launched three important strategies, the Adult Supportive and End of Life Care Strategy; the Babies Children and Young People End of Life Care Strategy; and the Wound Care Strategy.

Adult Supportive and End of Life Care Strategy (EOLC)

The aim of this strategy is to provide evidence-based, skilled and compassionate care to our patients and their families and carers.
We aim to do this by improving the identification of patients within their last year of life, having honest conversations with them to enable holistic care planning and management focused on what matters to them and developing a compassionate and competent workforce to provide this care.

The EOLC strategy comprises themes based on the six ambitions for Palliative and End of Life Care framework 2021-2026. It is designed to demonstrate our commitment to improving the palliative and EOLC experience for patients, families and staff across the Trust. The six themes embedded within the strategy are:

- Each person is seen as an individual
- Each person gets fair access to care
- Maximise comfort and wellbeing
- Care is undertaken in a coordinated way
- All staff are prepared to care
- Each community is prepared to help.

End of life care is care that affects us all, at all ages; the living, the dying and the bereaved (Ambitions for Palliative Care, 2015, 2021). Each year, around 500,000 people in England die. This figure is estimated to increase to 635,814 by 2040; for each person, there are many around them who are affected by caring, grief and loss. The General Medical Council Guidance on end of life care defines patients who 'are approaching the end of life' as those who are likely to die within the next 12 months.

This includes patients whose death is imminent (expected within a few hours or days) and those with:

- Advanced, progressive, incurable conditions
- General frailty and co-existing conditions that mean they are expected to die within 12 months
- Existing conditions if they are at risk of dying from a sudden acute crisis in their condition
- Life-threatening acute conditions caused by sudden catastrophic event.

Our Strategy builds on a number of national key documents that outline common themes of excellent supportive, palliative and end of life care. We have ensured that it links closely to the Greater Manchester Commitments To Palliative Care Individuals Approaching or within the Last Year of Life (April 2019). This document was a commitment made by the health and social care partnership of Greater Manchester to the people of Manchester. The partnership is made up of the commissioners and providers from Greater Manchester. It is therefore our responsibility as the biggest care provider to fulfil our commitment.

More recently, the updated Ambitions for Palliative and End of Life Care, a national framework for local action 2021 – 2026 was published. It builds on the extensive national response made over previous years and reaches the entire community. We are committed to ensuring we make these ambitions a reality. This requires leadership and commitment from all parts of the organisation. The inclusion of concepts such as 'each community is prepared to help' is the desire to form new and improved partnerships between communities and professional services.

Babies Children and Young People End of Life Care Strategy

The aim of this Strategy, linked as above to national and local commitments, is to ensure that all babies, children or young people who are under the care of MFT, their families and carers, receiving palliative and end of life care, are listened to and cared for compassionately by staff with the right skills. We will adhere to best practice guidance, where available, and deliver holistic, patient-centred care that recognises individual circumstances and addresses diverse needs.

We will ensure that babies, children or young people and their family/carer receive the care and support that meets their identified needs and preferences, ensuring respect and dignity is preserved during and after the patient's life.

Wound Care Strategy

This Strategy is focused on improving and maintaining the provision of wound care across all hospitals, local care organisations, clinical support services and managed clinical services (LCO/CSS/MCS) by implementing a series of key strategic objectives grounded in our ambitions to:

- Reduce incidence of preventable wounds
- Promote wound healing
- Reduce morbidity, mortality and costs associated with wound care.

This Strategy puts us on the path to delivering a consistently high standard of evidence-based wound care across Manchester University NHS Foundation Trust.

We aim to do this by reducing unnecessary variation, improving safety and optimising staff and patient experience and outcomes. Whilst our teams are already striving for excellence, we want to enable clinical and research leaders to develop a research active, supportive environment in which wound care can flourish.

The Wound Care Strategy has six themes designed to deliver our ambition to reduce the incidence of preventable wounds, promote wound healing by providing the best possible care, and reduce morbidity, mortality and costs associated with wound care:

- Education, training and workforce
- Policies, protocols and procurement
- Evidence-based programmes delivery
- Data and information infrastructure
- Research and innovation
- Patient and staff outcomes.

1.4 Research and Innovation

MFT at the cutting edge of Research and Innovation
MFT continues to be at the cutting-edge of healthcare research, innovation, and life sciences in the UK. Through clinical, commercial, and academic expertise and funding, we have developed an innovative infrastructure of partners to nurture clinical and commercial success and provide new innovations, products, and services to our patients and research participants.

Throughout 2021/2022 the skills, expertise, and experience of our staff, coupled with our world-class facilities and hosted Research and Innovation (R&I) infrastructure across Greater Manchester (GM), have continued to be utilised to address the urgent priorities for research and innovation, as part of a global, coordinated effort to enhance understanding and develop treatments and vaccines for COVID-19.

Alongside this, R&I has been crucial in establishing new ways of clinical working and treatment in a post-pandemic world. We have also reactivated the majority of R&I activity paused as a result of the pandemic, ensuring people from around the world are benefitting for MFT's world-leading expertise.

Young research participants, with a Research Nurse Manager and Research Play Specialist, enjoying the playroom at the Manchester Clinical Research Facility at Royal Manchester's Children's Hospital

Research Overview
We aim to give as many people as possible the opportunity to influence, design, and take part in clinical studies and evaluations. They are regularly the first-in-the-UK, and often the first-in-the-world, to trial new treatments and procedures.

MFT Clinical research study portfolio 2021/2022

- 17,916 participants recruited to research studies
- 1,429 clinical studies were active during the whole or some of this period, with 270 new studies started in 2020/2021
- 152 external researchers were enabled to conduct research across MFT via research passports.

MFT local and national rankings 2021/2022

- First for overall recruitment in GM
- First for overall recruitment to commercial studies in GM
- Second overall for recruitment to COVID-19 Urgent Public Health studies in GM
- Second overall for recruitment to COVID-19 non-Urgent Public Health studies in GM
- Eighth top recruiter for all NHS trusts nationally

COVID-19 research continues to provide answers and treatments
In May 2021 we reached the milestone of more than 10,000 participants recruited to MFT COVID-19 research studies – spanning our four key areas: treatment; data; diagnostics; and observational. We have continued to recruit participants to existing and new COVID-19 studies throughout the year. Approximately 10 per cent % of all COVID-19 Urgent Public Health studies, which were identified as the highest national priority for the UK's pandemic response, were led by MFT researchers.

Sarah Fallon, Chief Operating Officer of the MFT-hosted Clinical Research Network Greater Manchester (CRN GM) receives her booster jab

The Phase 3 Jannsen vaccine trial was launched at the Trust in November 2020 and MFT consented the first global participant. Our ability to deliver critical vaccine research continued with booster studies for the Oxford/AstraZeneca variant vaccine aimed at preventing the Beta variant, and the Gritstone CORAL trial for one of the world's first multivariant COVID-19 vaccines (please see more on this study below). At a national level one of MFT's researchers, Professor Andy Ustianowski, is Clinical Lead for the NIHR COVID Vaccine Research Programme.

With the emergence of the Delta variant within communities in Bolton, we rapidly set-up as a study support site for the INSTINCT trial. Commissioned by the Chief Medical Officer and Chief Scientific Advisor to understand the transmission and immune responses to the new variant, we recruited 148 COVID-19 positive participants and their contacts into the trial.

Researchers at Saint Mary's Hospital and NIHR Manchester Clinical Research Facility (CRF) at Royal Manchester Children's Hospital (RMCH) delivered the Preg-CoV study, to discover the most effective use of vaccines during pregnancy to protect women and their babies against COVID-19.

We continued to support the RECOVERY trial – the UK's flagship COVID-19 study. We continually outperformed our nationally-set recruitment target, and remained one of the highest overall recruiters to the study in the country, particularly the paediatric and pregnancy arms of the study.

Molnupiravir, the first antiviral medication for COVID-19 – which can be taken at home in tablet form, rather than injected or given intravenously, and was described as a "gamechanger" by the Secretary of State for Health and Social Care – was trialled at MFT as part of the AGILE platform study.

Clinicians, researchers, and patients from across Greater Manchester played a critical role in PHOSP-COVID – a post-hospitalisation COVID-19 study to understand and improve long-term health outcomes. MFT was the second highest recruiter in the country, running the study across several sites, with Professors Neil Hanley and Alex Horsley sitting on the study Executive Committee.
More than 250 members of MFT staff are taking part in the SIREN observational study, investigating whether COVID-19 antibodies protect against the virus, involving regular blood and COVID-19 (PCR) testing, for a period of at least 12 months.

MFT is the lead organisation for the CONDOR (COVid-19 National DiagnOstic Research and evaluation) platform. CONDOR is a collaboration between MFT's Diagnostics and Technology Accelerator (DiTA) and the NIHR Medtech and In vitro diagnostic Cooperatives (MICs), together with the National Measurement Laboratory and the University of Nottingham. MFT sponsors the FALCON study, which is nested within the CONDOR programme and undertakes research to evaluate the diagnostic accuracy of COVID-19 tests in hospitals and the community.

COND R
COVID-19 National DiagnOstic Research and Evaluation Platform

The FALCON study has recruited almost 8,500 participants at 70 hospitals and 15 regional testing centres, including over 1,000 patients who were enrolled at MFT. More than 20 diagnostic tests for COVID-19 have been evaluated within the FALCON study, many of which have since been widely used to guide our pandemic response.

This includes a national evaluation of four lateral flow tests as part of the government's Moonshot programme. Those tests were rolled out for NHS staff testing and later for mass population testing. The FALCON study has also contributed to a number of international test evaluations with the Foundation for Innovative Diagnostis (FIND) and to a national evaluation of mass spectrometry to diagnose COVID-19.

Leading the world in research

Khobi (with mum Mary), a participant on the ground-breaking PALOH study which led to the development of a world-first bedside genetic test to prevent babies going deaf.

Despite the challenges faced due to the ongoing pandemic, MFT continued to lead the way in world-first treatments and trials.

The Pharmacogenetics to Avoid Loss of Hearing (PALoH) study, delivered at Saint Mary's Hospital and supported by the Manchester Biomedical Research Centre (BRC), was instrumental in developing a world-first bedside genetic test that could save the hearing of hundreds of newborn babies every year. Following a successful pilot the NHS will begin the roll-out of the test as part of the NHS Long Term Plan.

Global research, led by researchers at Manchester CRF at Wythenshawe Hospital, delivered a potential new cough treatment to the first recipient in the world.
MFT is the lead centre for the NIHR Immune Mediated Inflammatory Disease (IMID) BioResource – part of the wider national NIHR BioResource. Through close collaboration with the northern NIHR Biomedical Research Centres (Manchester, Leeds, and Newcastle), Manchester CRF and the University of Manchester, the milestone figure of 2,000 volunteers recruited was reached in February 2022.

Research into reality

Due to the expertise of our researchers in gene therapy studies, MFT has been chosen as the only UK site, and one of only five across Europe, to deliver a revolutionary life-saving gene therapy, Libmeldy. With a reported list price of more than £2.8 million – making it the most expensive drug in the world – the treatment will become available on the NHS as a specialist service and will be delivered within RMCH in collaboration with Manchester's Centre for Genomic Medicine at Saint Mary's Hospital.

Dr Vibha Sharma and Esther taking part in the Palisade study

Following results from the Palisade (Peanut Allergy Oral Immunotherapy Study of AR101 for Desensitization) trial delivered at the Manchester CRF at RMCH, children in the UK will be able to receive Palforzia – a life-changing oral treatment for peanut allergies – as NHS standard of care following approval for use by the National Institute for Health and Care Excellence (NICE).

Expanding our research portfolio

With the integration of North Manchester General Hospital into MFT, our R&I portfolio, patient cohort, and physical sites, have expanded. This has provided more people from the north of the city region with opportunities to be part of MFT's internationally renowned research and increased our accelerated adoption of research and innovation into routine clinical practice.

The NIHR Manchester Biomedical Research Centre and NIHR Manchester Clinical Research Facility have both finished the fifth full years of operation. Due to the pandemic funding for both was extended beyond March 2022, with both submitting applications for the next round of funding (2022-2027). In February 2022 it was announced that Manchester CRF has been awarded £15.5million for the next five years – an uplift of 24 per cent on the previous funding round, enabling it to provide opportunities for people of all ages and backgrounds across Greater Manchester to take part in research.

Manchester BRC's interview took place in April 2022, and we are awaiting the result.

National recognition for local excellence

In February 2022, Professor Rick Body, Group Director of Research and Innovation, and Professor Maya Buch, Honorary Consultant Rheumatologist at MRI, were named as NIHR Senior Investigators – a recognition of their significant contribution to the NIHR as senior leaders, demonstrating excellence in research, and helping to develop and enhance the career paths of researchers.

This includes Dr Anisa Jafar, an ST6Junior Doctor in Emergency Medicine at the Manchester Royal Infirmary (MRI) who was named NIHR Clinical Research Network (CRN) and the Royal College of Emergency Medicine (RCEM) Young Researcher of the Year.

The awards, which recognise outstanding contributions of NHS consultants and trainees in the conduct of clinical research in the field of Emergency Medicine, described Dr Jafar as an excellent role model for young researchers and were enthused her commitment to global health.

Mr Iestyn Shapey, Specialist Trainee in Hepatobiliary and Pancreatic Surgery at MRI, was awarded the Syme medal by the Royal College of Surgeons of Edinburgh (RCSEd). Named after the eminent nineteenth century surgeon James Syme, the prestigious award is given to trainee surgeons who have displayed a high-quality body of research which has impacted future research of clinical practice.

Bringing research closer to our communities

In December 2021 MFT took ownership of the new state-of-the-art Greater Manchester Research Van. The one-stop mobile facility has been designed to enable delivery of research studies in the community and widen opportunities for our diverse population across Greater Manchester, and beyond, to take part in research by visiting easy-to-reach locations such as community centres and supermarket car parks.

The Research Van includes a pharmacy and clinical area containing all equipment necessary to run vaccine programmes, clinical trials, and bespoke clinical projects out in the community.

The purpose-built vehicle – only the second of its type in the country – was initially funded with an award of over £200,000 from the UK government Vaccine Task Force following a successful bid from the NIHR Clinical Research Network Greater Manchester (CRN GM) with further support from Manchester BRC, both hosted by MFT.

"The Research Van is designed to make research more accessible and inclusive for residents across Greater Manchester, removing the need for people to reach a hospital or other NHS sites and instead take the studies to easy-to-reach places in their communities."

Professor Andy Ustianowski, Clinical Lead for the Research Van at MFT, Consultant in Infectious Diseases and Tropical Medicine at North Manchester General Hospital, and Co-Clinical Director of NIHR CRN Greater Manchester.

MFT – and our hosted R&I Infrastructure – continue to have a national reputation as a leader in public and patient involvement and engagement. Working with Vocal, a not-for-profit organisation hosted by MFT in partnership with The University of Manchester (UoM), we were one of 16 pilot sites to take part in the NIHR Race Equality Public Action Group (REPAG) framework pilot. The framework aims to help assess how policies, practices and culture could be changed to better serve diverse communities, foster improved race relations and ultimately improve healthcare delivery, as well as ensure the diversity of our workforce is representative of this too. We were delighted to help shape this framework, and the learning we have taken from the pilot will provide a lasting change and impact on our leadership and research participation.

Research staff and participants outside the Research Van

Working with colleagues at UoM, VOCAL also developed an Inclusive Research e-leaning training programme for MFT research staff and staff from our hosted R&I infrastructure.

A hub for innovation

In recognition of MFT's reputation as a world-leading hospital trust for digital health technologies, we joined with international partners to became part of the Smart Hospital Alliance (SHA) to drive the expansion of cutting-edge digital health technologies for the benefit of our patients and communities.

"MFT is committed to developing new and innovative solutions – such as virtual and augmented reality – for greater patient benefit, and this agreement symbolises an exciting step in that direction."

Dr Iain McLean, Managing Director for Research and Innovation at MFT

MFT was also selected by the Health Foundation, an independent charity, to be part of its new programme supporting health care providers to create the conditions to enable faster and more effective uptake of innovations and improvements. Funded for two and a half years, the MFT Innovation Hub will support the adoption and adaption of novel, proven technologies, to improve health outcomes for the diverse population the Trust serves.

In January 2022 MFT joined a growing group of like-minded organisations working together to utilise health data for research and innovation to benefit the public, as part of the UK Health Data Research Alliance.

An independent alliance of leading healthcare and research organisations united to establish best practice for the ethical use of UK health data for research at scale, members come from across the healthcare and research sector.

We also continue to work with leading industry partners; MFT signed a collaboration and data sharing agreement with Manchester-based health technology start-up Rinicare, to further develop Rinicare's advanced clinical risk prediction technology platform, while our Bubble PAPR project, following a large-scale usability study, will be going into production following a commercial agreement between MFT and an innovative healthcare company specialising in the manufacture and distribution of infection prevention and control products.

DiTA - set up as a catalyst for evidence generation for new medtech and in-vitro diagnostics (IVDs) – appointed new leadership following Professor Body's move to Group Director of R&I and Katherine Boylan's move to Head of Innovation. Dr Tim Felton, Clinical Lead for all MFT COVID-19 related studies and a Consultant at Wythenshawe Hospital, was appointed as the new Director of DiTA, alongside Annie Yarwood as the Operations Manager.

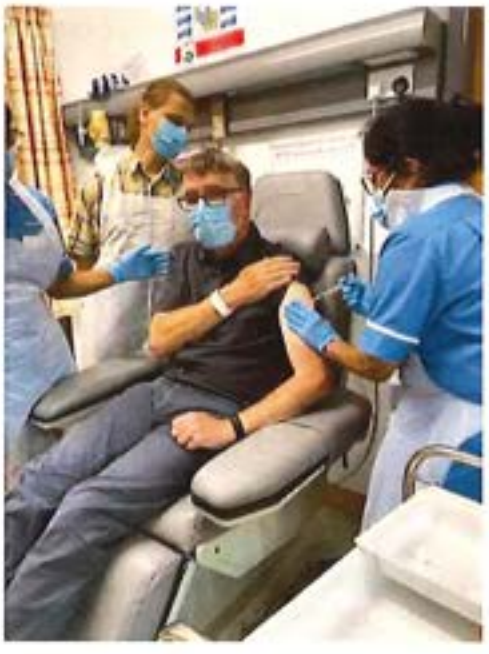
DiTA is a core strategic programme for our innovation vision and is key to us positioning MFT as the UK's leading NHS trust for innovation and the healthcare partner of choice for industry.

Qiagen – the global life sciences and diagnostic company – completed it's move to Citylabs 2.0 on MFT's Oxford Road Campus. Its Global Centre of Excellence for Precision Medicine is now at the heart of Manchester's 'Innovation District' and underlines the city's role as QIAGEN's global hub for diagnostics development, a crucial element of the company's global success, which will ultimately benefit the patients and population MFT serve.

Case study: Early trial of first multivariant COVID-19 vaccine booster begins in Manchester

Despite the enormous uptake of the COVID-19 vaccination, new variants meant it was critical to keep researching new ways to tackle the virus.

MFT, with its rich history in delivering cutting-edge clinal research and innovation, was the ideal organisation to trial one of the world's first multivariant COVID-19 vaccine as the study's chief site.



Andrew Clarke, Gritstone trial *participant, receives his booster vaccine at the Manchester CRF at*

Working in partnership with The University of Manchester and US pharmaceutical company Gritstone bio, Inc., MFT's Research and Innovation Vaccine Team delivered the early phase trial – involving a small number of people to be the first in the world to given the treatment – at the NIHR Manchester Clinical Research Facility at Manchester Royal Infirmary, to an initial participant group aged 60 years and above.

The first participants to receive theirs jabs were Andrew Clarke (63) and his wife Helen (64), both retired, from Bolton.

"Somebody has to be the first and we're confident in the science and technology behind this vaccine and convinced of the need for it.
"Because we're both retired, we feel we had a reasonably easy lockdown, but we know it wasn't the same for everybody. We feel that this is perhaps a small part we can play in helping to make things change."
Andrew Clarke, trial participant

The first results of the trial, published in early January 2022, has shown it is driving a comprehensive immune response, with initial phase 1 clinical data showing the vaccine has strong levels of neutralizing antibodies, similar to already approved and used mRNA vaccines. Results also showed that participants who were in good health and previously received two doses of AstraZeneca's first-generation COVID-19 vaccine, tolerated the booster vaccine well.

"We know the immune response to first generation vaccines can wane, particularly in older people. Coupled with the prevalence of emerging variants, there is a clear need for continued vigilance to keep COVID-19 at bay.

"We believe this vaccine, as a booster, will elicit strong, durable, and broad immune responses, which may well be likely to be critical in maintaining protection of this vulnerable elderly population who are particularly at risk of hospitalisation and death."
Professor Andrew Ustianowski, Chief Investigator for the study at MFT

Andrew Ustianowski

During 2022 the trial will be expanded from 20 people to 120 as we continue this work with Gritstone in the clinical development of this promising next generation, T cell enhanced COVID-19 vaccine.

1.5 Our Charity

Over the past year, we have seen some brilliant fundraising take place in support of our family of hospitals. Despite the continued shadow COVID-19 has cast over the last 12 months, individuals, companies, community groups and organisations have shown unfaltering support for our Charity, raising £4,214,345 in 2021/22.

Highlights of the year include our April virtual 30-mile fundraising challenge, in which we asked supporters to clock up 30 miles, marking the average distance walked by our nurses every week.

Further highlights include the opening of our new life-saving helipad, which the Charity had previously raised £3.9 million in funding for.

We also launched our Build to Beat Breast Cancer Appeal, in partnership with Prevent Breast Cancer, raising £3.2 million for a national training academy for breast cancer professionals on our Wythenshawe Hospital site.

Throughout the last year, the commitment and generosity of our supporters has enabled the Charity to fund numerous projects across our hospital family, improving the experience for the 2.5 million patients and families who access our hospitals every year. Following the Trust's frontline response to the pandemic, the funding has also enabled projects aimed at supporting staff wellbeing to be implemented. Examples include:

The provision of pilot Wellbeing Advocate posts
Charitable funding has enabled us to recruit four Wellbeing Advocates to work throughout our 28,000-strong workforce, on a year-long pilot programme. They will actively support staff wellbeing and mental health, breaking down the barriers and stigma attached to receiving mental health support, and encourage staff to seek help when they need it.

The Wellbeing Advocates will lead on connecting services together and being a critical friend to key initiatives to make sure our staff are receiving the support, advice and guidance they need to be well in work.
The intelligence and data gathered by the pilot will inform the overall recovery programme for our workforce, with the aim of reducing absence due to psychological illness and improving staff retention.

The provision of videos to support physical and mental wellbeing
Charitable funding has also enabled us to develop and create a series of bespoke videos, recorded by professionals, such as a personal trainer, psychologist and psychological wellbeing practitioner. The suite of videos will provide frontline staff with access to a holistic resource for physical and mental fitness they can access at a time and location that suits their needs. The videos form an important part of the Trust's recovery toolkit, providing mindfulness and wellbeing support for our staff.

A big thank you
Thank you to everyone who has supported the Charity over the last year. Your support really does make a lasting difference to our patients, families, and staff.

How to support us
There are many ways in which people can support our hospitals, by giving their money, time or talent.

Making a donation or taking part in fundraising activities
To make a donation, please visit www.mftcharity.org.uk/donate or call the fundraising team on 0161 276 4522. You can also support our hospitals by taking part in an event or organising your own fundraising activity.

Gifts in memory
Many thousands of pounds are donated each year to our hospitals in memory of patients who have died. The funds are used to improve facilities or buy equipment that will benefit our patients, creating something very positive out of a sad personal loss.

Legacy support
Legacy gifts provide the Charity with a valuable income source that enable us to plan for the future and benefit as many patients as possible. A legacy can be left to a specialist area of work in accordance with the donor's wishes – even the smallest legacy can have a lasting impact on our work across our family of hospitals.

Follow us to find out more

You can also support us by following us on social media:

Facebook and LinkedIn: Manchester Foundation Trust Charity

Twitter: @MFT_Charity

Instagram: @MFTCharity

More details about our work and how you can help us, including details of how to sign up to our regular e-newsletters, can be found here: www.mftcharity.org.uk/

2. Performance Report

2.1 Overview of our performance

MFT's performance in 2021/22: Group Chief Executive's summary
The MFT Group provides health and care services to communities across Manchester and beyond, though our hospitals, Managed Clinical Services and community services. We are also proud to be at the forefront of international health research and innovation, and to be a leading teaching and training Trust.

Our vision is to improve the health and quality of life of our diverse population by building an organisation that:

- Excels in quality, safety, patient experience, research, innovation and teaching
- Attracts, develops and retains great people
- Is recognised internationally as a great healthcare provider.

In line with the rest of the NHS, the ongoing response to the COVID-19 pandemic has had a significant impact on our operational performance during 2021/22. The need to prioritise COVID-19 patients led to a reduction in elective activity for significant periods from March 2020. This has had a profound impact on the shape and size of MFT's waiting lists throughout 2021 and into 2022. Throughout this time, safety has remained MFT's key priority with all patients being clinically assessed and prioritised.

Rapid access to cancer diagnosis and treatment was a priority in 2021/22, but services were also affected by the ongoing impact of the pandemic. An overall cancer improvement plan is in place, encompassing diagnostics alongside general cancer pathway improvements.

A&E performance was maintained, with over 500,000 attendances. This was achieved despite the impact of the Omicron coronavirus wave and only a slight reduction in the number of people coming to A&E.

Our financial performance continued to be affected by the pandemic. In the financial year ending 31st March 2022, MFT has reported a deficit of £11.4m (2020/21 £32.9m deficit). Turnover for the year was £2.5 billion. Individuals, community groups, companies and organisations have shown unwavering support for our MFT Charity, raising over £4.2m during 2021/22.

To improve patient and staff experience, MFT is investing in the redevelopment of North Manchester General Hospital and Wythenshawe Hospital, a £40 million A&E transformation at Manchester Royal Infirmary and the new Hive Electronic Patient Record programme. The new Helipad at MFT's Oxford Road Campus – the first elevated helipad of its kind in the North West – opened in May 2021.

We are proud to have met our commitments to equality, diversity and inclusion and sustainability during 2021/22.

Introduction to MFT

Our Trust was formed in 2017, and we provide community and secondary care services to the populations of Manchester and Trafford, and specialist services to patients from Greater Manchester (GM), the North West and the rest of the UK.

The MFT Group is made up of ten hospitals, plus the Manchester and Trafford Local Care Organisations (LCOs). North Manchester General Hospital (NMGH) joined the group on 1st April 2021, making MFT the sole provider of hospital services in the city of Manchester and England's largest NHS Trust.

Manchester Local Care Organisation

Leading local care, improving lives in Manchester, with you

Trafford Local Care Organisation

MFT is a large and complex organisation with around 2,600 beds across our sites and are one of the biggest employers locally, with over 28,000 staff.

MFT has eight operational units: five of these are described as Managed Clinical Services, two are hospitals and one is the hosted Manchester and Trafford Local Care Organisations. Of the five Managed Clinical Services, four are associated with a distinct physical site, and all manage services across multiple sites.

The five Managed Clinical Services (see chart below) are accountable for the delivery and management of a group of clinical services taking place on any site within MFT.

Their role includes the operation of Clinical Standards Groups for their areas of specialty, setting clinical standards and developing evidence-based guidelines and pathways across the Trust.

Managed Clinical Service	Services	Clinical standards development function
Clinical & Scientific Services (CSS)	Anaesthesia, Critical Care, Pathology, Radiology et al	Yes
Manchester Royal Eye Hospital (MREH)	Adult & Paediatric Ophthalmology	Yes
Royal Manchester Children's Hospital (RMCH)	Children's Services	Yes
Saint Mary's Hospital (SMH)	Women's Services & Neonatology	Yes
University Dental Hospital of Manchester (UDH)	Dental Surgery & Oral Medicine	Yes

The other two operational units (see the chart below) are the hospital sites of Manchester Royal Infirmary (MRI) on the Oxford Road campus, and the multiple hospital sites of Wythenshawe, Trafford General, Withington and Altrincham Hospitals (WTWA) managed by a senior leadership team based at Wythenshawe Hospital.

The two operational units of MRI and WTWA each deliver many clinical services to adults that they share in common, such as emergency medicine, urology and cardiac surgery, but which are independently operationally managed by each site.

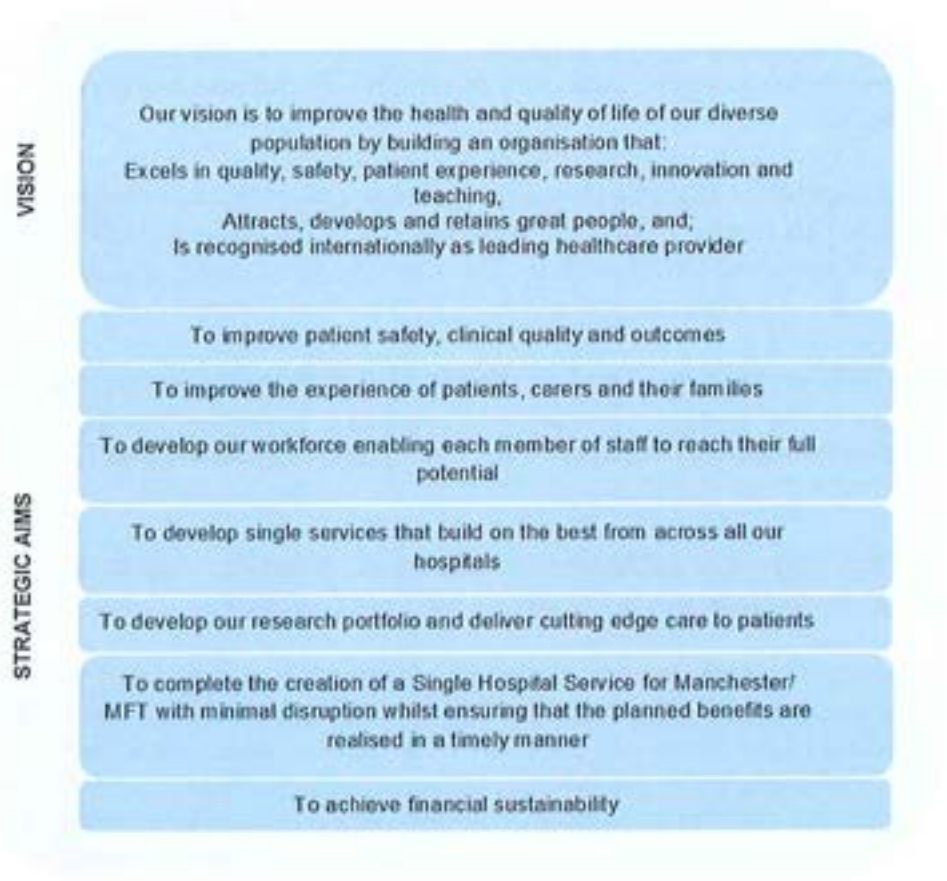
Hospital Site	Services include:	Clinical standards development function within hospital site
Manchester Royal Infirmary (MRI)	Adult Medical & Surgical Services including Cardiac & Respiratory	No
Wythenshawe, Trafford, Withington & Altrincham (WTWA)	Adult Medical & Surgical Services including Cardiac & Respiratory	No

MFT is also one of the major academic research centres and education providers in England. R&I is at the heart of everything we do. It enables us to ensure our patients have access to the latest high-quality care and clinical trials, to attract the best staff and, in turn, deliver the best outcomes for patients. It also allows us to attract investment and develop relationships with industry to our mutual benefit.

Our vision and values

The development of MFT's vision and values was part of a major Trust-wide programme with our staff, and included input from patients and partners. Ensuring staff are aware of and demonstrate our values is an ongoing process, starting at induction for new staff and running through staff appraisals and development.

Our vision is underpinned by our strategic aims, which are reflected in the individual plans of our hospitals and Managed Clinical Services. These aims have been updated for 2022/23 to reflect the environment we are operating in - please see page 80 for details.



The people we serve

We are responsible for providing local hospital services to the populations of Manchester and Trafford, a combined population of around 776,000 people. Beyond this, our reach extends across Greater Manchester, the North West and the wider UK.

Many of our secondary and tertiary (specialist) services treat patients from across GM, covering a population of over 2.8 million. For several tertiary services, such as cardiac surgery, we are the sole provider across GM.

We also offer many regional services across the North West (e.g. cochlear implants) and, for certain services, across the whole North of England and Scotland. Several of our most specialist services are nationally-commissioned (e.g. Aspergillosis) and serve patients across the UK and internationally.

The health inequalities between the north and south of England are regularly highlighted in national statistics. Levels of poor health in Manchester and Trafford contribute to demand for hospital and community health services.

Manchester is the 6th most deprived local authority in England. Around 43% of areas within the city are classed as being in the most deprived 10% of areas in England (Source: IMD 2019)

The proportion of the population from a non-White British ethnic group is twice the average for English local authorities as a whole. The number of different ethnic groups living in Manchester is higher than any other UK city outside of London (Source: 2011 Census).

In 2019, just over a quarter of Manchester residents are estimated to have been born outside of the UK and just under 1 in 5 were non-UK nationals (Source: ONS Annual Population Survey). It is estimated that there are over 200 languages spoken in the city.

Life expectancy at birth for both men and women in Manchester is the 5th lowest in England - a boy born in Manchester can expect to live over 8 years less than a boy born in the most affluent parts of England. A girl can expect to live around 7 years less.

Just under 50% of the population of Manchester is aged under 25 – higher than the average for England as a whole (Source: ONS Mid-Year Estimates)

Over the next 10 years, the resident population of Manchester is projected to increase. Forecasts produced by Manchester City Council suggest that there will be around 662,000 people living in the city by 2028. The City Council's forecasts indicate that the annual population growth rate in Manchester is likely to be greater than that assumed by the ONS in its subnational population projections. A more accurate picture of the current and future size of the local population once data from the 2021 Census is published.

The health of people in Trafford is varied compared with the England average. About 11.6% (5,085) children live in low income families. Life expectancy for both men and women is higher than the England average. (Source: PHE Trafford Health profile 2019)

In Year 6, 17.7% (492) of children are classified as obese, better than the average for England. The rate for alcohol-specific hospital admissions among those under 18 is 51*, worse than the average for England. This represents 28 admissions per year. Levels of teenage pregnancy, GCSE attainment (average attainment 8 score) and smoking in pregnancy are better than the England average. ((Source: PHE Trafford Health profile 2019).

Working closely with our partners
MFT is proud to work alongside a wide range of partner organisations to help deliver outstanding care to the people of Manchester and beyond.

Manchester Health and Care Commissioning is the single body that brings together the NHS and Manchester City Council and is responsible for commissioning both health and social care services in Manchester. The equivalent organisation for Trafford is **Trafford Together for Health and Social Care**.

MFT is a partner in the **Greater Manchester Health and Social Care Partnership**.

In April 2016, Greater Manchester took charge of its health and care system as one partnership, spanning NHS and local government, commissioners and providers of both physical and mental health. In doing so, it embarked upon the most radical health and care transformation programme in the country. Devolution has put Greater Manchester in charge of improving the health and wellbeing of everyone who lives there – some 2.8 million people. Its 10 boroughs are working together to transform public services and tackle the biggest issues affecting health.

The **Manchester Local Care Organisation (MLCO)** is a partnership between the city council, commissioners and providers, including MFT, with responsibility for the delivery of out-of-hospital care and improved community-based health services aimed at preventing illness and caring for people closer to home. It is hosted by MFT and community healthcare staff are deployed to MLCO.

The partners agreed to develop a ten-year Partnering Agreement that commits all parties (MFT, MHCC, Manchester City Council, Manchester Primary Care Partnership and Greater Manchester Mental Health NHS Foundation Trust) to the delivery of the LCO agenda and the transformation of out-of-hospital services. The Partnering Agreement came into effect on 1st April 2018.

The MLCO is a virtual organisation responsible for the delivery of a range of services, including community health services and adult social care. As the organisation develops, the range of services that will be delivered through it will grow to include mental health and primary care.

The **Trafford Local Care Organisation (TLCO)** came into operation on 1st October 2019 to deliver NHS community services in Trafford. Hosted and managed by MFT, TLCO brought together staff from Trafford community health, who transferred to MFT and Trafford Council's Adult Social Care team.

Through the TLCO, community health staff and adult social care staff are delivering a wide range of out-of-hospital care services such as district nursing, school nursing, podiatry services and specialist palliative care. While there has been no change in how patients and residents access these services, the overall aim is to ensure that

services are the best they can be and that care is better co-ordinated around people's needs.

The benefits that will be delivered through the LCOs include:

- Improved health outcomes
- People having a better experience of care
- Local people being independent and able to self-care
- Better integrated care and use of resources
- Fewer permanent admissions into residential/nursing care
- Fewer people needing hospital-based care.

As a leading **research and teaching Trust,** MFT has a large number of clinical academics, who are recognised as leaders in their field. We work closely with our main academic partner, the University of Manchester, and with industry partners through developments, such as Citylabs.

We host the Manchester Biomedical Research Centre (BRC) and are a founding partner of Health Innovation Manchester, which works with innovators to discover, develop and deploy new solutions that improve the health and wellbeing of Greater Manchester's 2.8 million citizens. Our Oxford Road campus is located on Corridor Manchester, acting as the translational engine room and driving all stages of the innovation pipeline from idea generation to adoption and engagement.

We provide undergraduate and postgraduate medical and dental education, as well as pre- and post-registration training across a range of professional staff groups. We provide much of this in partnership with local higher education institutions, including The University of Manchester, Manchester Metropolitan University and Salford University.

Working collaboratively with patient groups, statutory services and other local organisations is key to helping provide improved health care to the communities we serve.

Monitoring and managing risk
The Directors have identified a range of risks that could have an impact on the effective delivery of the Trust's objectives. These risks are managed actively through a Corporate Risk Register and are used to contextualise assurance within the Board Assurance Framework. The Group Risk Oversight Committee reviews all strategic risks bi-monthly, ensuring appropriate mitigation is in place and assuring its effectiveness. The Board Committees and their Sub-Committees are sighted on these risks and review them as required by the lead Director. This review and oversight contributes to the level of assurance associated with the delivery of the Trust's strategic objectives.

More information about MFT's risk management process is available in the Annual Governance Statement on pages 157 to 182.

Our financial performance
During the financial year ending 31st March 2022, MFT had an income of £2.5bn and expenditure of £2.5bn. The Trust's financial out-turn (before finance costs) for the year to 31st March 2022 was a deficit of £11.3m (2020/21 £32.9m deficit). The reported deficit includes:

- £91.4m (2020/21 £77.5m) of impairments
- £61.7m gain on absorption following the formal acquisition of the North Manchester General Hospital site, services and associated Charitable Fund from Pennine Acute NHS Foundation Trust on 1st April 2021.
- Income from re-imbursement and top-up funding of £7.4m (2020/21 £174.1m)
- £5.5m (2020/21 £6.1m) of donated and granted asset income/depreciation.

The Trust's financial plan for 2021/22 was influenced by changes during the year to NHS funding arrangements that were brought about as a result of the COVID-19 pandemic. The year was divided into two halves: April to September 2021 and October 2021 to March 2022. Plans were prepared for each half year period.

During the year to 31st March 2022, we delivered £34.36m of waste reduction against a plan of £32.15m.

The Trust spent £192.7m (including £6.7m from donated assets) in 2021/22 on capital schemes, of which £114.8m was on our estate, £17.2m was investment in new equipment and £60.7m was expenditure on the Trust's information technology.

The Board approved a Financial Plan for 2022/23 which aims for a break-even position but recognises that there needs to be a significant increase in waste reduction schemes achieved in the year for this to be possible.

The Trust's cash balance at 31st March 2022 was £319.1m (£271.2m at 31st March 2021). This reflects an increase in cash during 2021/22 but is now expected to fall in 2022/23 and future years as investments in trust estate and other assets continue.

MFT Charity
We are also the Corporate Trustee to the MFT Charity (registration no 1049274) and have sole power to govern the financial and operating policies of the Charity so as to benefit from the Charity's activities for the Trust, its patients and its staff. The Charity is therefore considered to be a subsidiary of MFT and has been consolidated into the accounts in accordance with International Financial Reporting Standards. The accounts disclose the Trust's financial position alongside that of the Group, which is the Trust and the Charity combined. A separate set of accounts and annual report are prepared for the Charity to submit to the Charities Commission.

Important events after the financial year end (2022/23)
There were no events following the Statement of Financial Position date, either requiring disclosure, or resulting in a change to the financial statements of the Trust or the Group.

Going concern assurance
After making enquiries, the directors have a reasonable expectation that Manchester University NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

2.2 Analysis of our performance

Performance against targets

Waiting times

Greater Manchester experienced a greater COVID-19 impact than other regions in the North West over a sustained period, resulting in periods of significantly drained staffing resource, bed base and the need to stand down elective activity for significant periods. As a result, there was a profound impact on the shape and size of MFT's waiting lists throughout 2021 and into 2022. The immediate response required to support the Omicron variant meant that MFT could not deliver the planned reduction in the number of long-waiting patients it had intended to.

Trust priorities included maintaining safe urgent care pathways, alongside the continuation of its elective programme. MFT's clinical teams continued to review waiting lists; this included potential harm assessments for the longest-waiting patients to ensure patient safety.

Diagnostic tests

Patients are waiting longer for a diagnostic test compared with the waiting time before COVID-19 occurred. These waits have continued to increase. Plans are in place to improve these waits during 2021/2022.

						2019 - 20							
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Full Yr
	1.4%	1.1%	1.1%	0.9%	0.9%	1.0%	0.9%	1.0%	1.4%	1.7%	1.3%	6.8%	1.6%
						2020 - 21							
Diagnostics Performance 1% Operational Standard	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Full Yr
	46.9%	64.8%	59.9%	48.8%	46.9%	38.7%	32.7%	27.8%	26.2%	27.1%	23.3%	19.1%	28.0%
						2021 - 22							
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	25.8%	23.2%	25.7%	27.0%	30.4%	27.4%	25.6%	27.0%	33.8%	35.7%	27.1%	26.6%	28.0%

Data Source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Data Source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Cancer

Cancer referrals from GPs have increased to around 113% compared to 2019/20 overall levels. However, there has been huge fluctuation month-by-month and between tumour groups. Breast services, for example, have seen a surge in the latter months of 2021, continuing into early 2022, albeit at a slightly lower level. This, coupled with social distancing requirements, has meant the two-week wait standard has not been met, despite evening and weekend clinics This underperformance, alongside head and neck, has driven an overall under performance of the two-week wait standard due to the volume of referrals.

Unfortunately, due to the collapse of the East Cheshire Head and Neck two-week wait service, alongside the general increase in referrals – up to 130% in some months – this service has also underperformed across the MFT Group. A Trust-wide breast improvement group has been formed, with plans to implement community clinics and a referral assessment service in the first part of 2022/23. Cross group mutual aid is in place for head and neck services, with a plan to implement new pathways that will support low risk patients having earlier access to one stop clinics.

Two week cancer performance - 93% Operational Standard	2019 - 20												
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Full Yr
	88.70%	92.00%	80.80%	78.30%	77.50%	80.40%	93.10%	94.20%	93.60%	92.40%	94.20%	93.00%	88.10%
	2020 - 21												
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Full Yr
	83.40%	87.60%	76.70%	63.30%	67.80%	63.90%	68.90%	70.70%	73.30%	69.10%	82.90%	94.80%	74.90%
	2021 - 22												
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	86.40%	90.80%	89.30%	91.00%	90.40%	89.60%	76.80%	65.50%	63.20%	56.10%	64.60%	61.60%	77.10%

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

31 day cancer performance - 96% Operational Standard	2019 - 20												
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Full Yr
	95.10%	95.90%	95.50%	95.00%	93.90%	91.40%	93.10%	90.40%	93.80%	90.10%	93.80%	93.20%	93.40%
	2020 - 21												
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Full Yr
	92.80%	88.20%	90.90%	94.40%	92.40%	91.60%	92.10%	90.50%	89.80%	88.00%	93.20%	93.60%	91.50%
	2021 - 22												
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	92.80%	94.30%	90.70%	91.70%	94.70%	87.00%	85.50%	89.00%	81.80%	74.6%	87.2%	91.0%	86.1%

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Performance against the 62-day standard has also declined against 2019/20 levels. This was inevitable, as the backlog of patients from the previous year is reduced, with longer-waiting patients now being diagnosed and treated. The backlog of patients waiting in excess of 62 days is now reducing, with plans to reduce further and deliver pre-pandemic levels by March 2023. Harm reviews are carried out by clinicians on cancer pathway patients, who were treated after day 104.

62 day cancer performance - 85% Operational Standard	2019 - 20												
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Full Yr
	75.30%	77.50%	78.50%	75.40%	79.10%	75.20%	66.00%	69.70%	68.10%	70.10%	70.20%	75.80%	73.20%
	2020 - 21												
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Full Yr
	64.20%	50.60%	64.40%	69.60%	71.40%	57.00%	55.40%	60.80%	65.20%	60.30%	57.10%	69.60%	62.20%
	2021 - 22												
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	67.40%	65.70%	66.30%	68.40%	59.30%	59.70%	57.30%	52.70%	51.00%	33.80%	44.80%	55.10%	56.40%

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

A new cancer standard was introduced in 2021, the Faster Diagnosis Standard – patients should receive a yes/no to cancer within 28 days. Whilst we concentrate on reducing the backlog of long-waiting patients, performance against this standard is expected to decline.

However, delivery of this standard is a priority focus for 2022/23, with a number of service improvements planned to support patients receiving a timelier diagnosis, including:

- The provision of non-cancer, site-specific diagnostic services on three MFT sites
- Implementation of the best-timed pathways, which includes the use of FIT testing in the colorectal pathway
- Cancer exclusion clinics in gynaecology

Further national, best-timed pathways are expected to be published in the coming year, with work ongoing to standardise pathways across MFT sites, including North Manchester General Hospital, taking the best from existing practice.

	2021 - 22												
28 Day Faster Diagnosis - 75% Standard from Q3 21/22	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	70.40%	74.60%	73.20%	75.10%	71.40%	71.90%	69.80%	62.40%	50.80%	36.70%	58.70%	56.40%	62.60%

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

The 'decision to treat' standards have not declined to the same extent, despite the reduced availability of critical care beds for non-COVID-19 patients. Capacity is being utilised within the private sector, where suitable, for cancer patients and an MFT@Christie service is in place for complex urology cases.

However, due to the specialist nature of some treatment plans, there is no option, but to treat some patients at MFT hospitals.

An overall cancer improvement plan is in place, encompassing provision of MFT's Clinical Support Services diagnostics alongside general cancer pathway improvements.

Additionally, each MFT site has its own cancer improvement plan. MFT is also in the process of producing a cancer strategy, including priorities for research, workforce, prevention and tackling health inequalities amongst others. This will require detailed implementation plans and focussed work going forwards.

Urgent and Emergency Care activity

The table below details performance for the Trust across the period prior to and post COVID-19. Performance in the current year shows the impact due to the pandemic - performance was maintained, despite the impact of the Omicron wave and very limited reduction in emergency attendances. However, the impact on flow and infection prevention and control (IPC) restrictions hit MFT hard particularly in the peak two weeks of 4th to 17th January 2022, and during this time the longest waits in A&E increased.

Accident & Emergency Performance against the four hour standard (95% National target)	2019 - 20												
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Full Yr
	84.80%	84.50%	83.50%	84.20%	85.80%	84.20%	81.50%	80.90%	78.10%	80.80%	79.80%	79.90%	82.40%
	2020 - 21												
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Full Yr
	90.20%	93.40%	91.60%	91.30%	88.20%	86.30%	81.10%	77.40%	76.10%	75.90%	80.00%	82.40%	84.30%
	2021 - 22												
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Full Yr
	78.90%	75.70%	72.90%	67.90%	69.20%	64.60%	62.00%	66.40%	66.40%	67.00%	63.40%	62.50%	67.90%

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

Data source: NHSE statistics (https://www.england.nhs.uk/statistics/statistical-work-areas/)

No Reason to Reside

Reducing the number of patients, who are sufficiently fit to be discharged, but remain in hospital has been a significant focus over the past year. This cohort of patients is known as No Reason to Reside. Throughout December, and in line with managing the Omicron wave, and to provide additional capacity over Christmas and into January, a greater focus was made with partner agencies to support the timely discharge of medically fit patients.

Throughout the pandemic, the impact of reduced care home and home care availability created a backlog at peak COVID-19 periods, involving some patients, who had been ready to leave hospital.

We continued to work with our partners within Clinical Commissioning Groups and Social Care services to exploit all opportunities to support patients back home or to the best place of care in their recovery.

High levels of patients with No Reason to Reside remain a pressure across MFT and the wider Greater Manchester system. Further activities continue to be undertaken to reduce further.

Infection prevention and control

During the past year, the need to implement additional infection prevention measures, such as beds being removed from some ward areas and turning some wards into COVID-19 patient-only areas impacted waiting times within our Emergency Departments and patients requiring elective procedures.

MFT has developed stretching plans to improve and recover waiting times, with the most pressing priority being to ensure there are no patients waiting over 104 weeks.

The Trust Infection Prevention and Control (IPC) & Tissue Viability (TV) team has continued to advise and support patient and staff at all levels of the organisation during the second year of the pandemic.

The Team is led by Dr Rajesh Rajendran (Associate Medical Director IPC) and Julie Cawthorne (Assistant Chief Nurse, Clinical Director IPC) The Team has 50 staff working across the 10 MFT hospital sites and Community Services.

The biggest challenge this year has been providing advice and support to care for patients with COVID-19 as the pandemic has evolved and new variants have been identified.

The Trust has implemented a recovery programme as we emerge from the pandemic. We have all learned a great deal from it, especially in relation to delivering an IPC/TV service to a wide range of patients with different care needs in a variety of care environments.

One of the most rewarding aspects has been the positive co-operation from working together with colleagues across the Trust to provide the safest care possible for our patients.

Infection Prevention and Control remains a high priority at MFT, and we have a strong commitment to reducing avoidable harm due to HCAI (Healthcare Acquired Infections). HCAI rates are closely monitored by the Group Chief Nurse, with actions in place to address any exceedances and return rates to below the Trust's trajectory.

Healthcare-acquired incidents of *Clostridium difficile* infection increased from 179 reported incidents in 2020/21 to 196 in 2021/22. The number of Trust attributable MRSA Bacteraemias has fallen from 15 attributable cases in 2020/21 to 10 in 2021/22. Please note that 2021/2022 data now includes cases from North Manchester General Hospital.

Accident & emergency attendances 2021/22
A&E attendances = 482,717
Clinic attendances = 17,648
Total = 500,365

In-patient/day case activity
In-patient (non-elective) = 188,329
In-patient (elective) = 27,519
Day cases = 137,838
Total = 353,686

Day cases as a % of elective activity = 82.9%
Day cases as a % of total activity = 38%

In-patient waiting list 2021/22

	In- patient	Day case	Total
Total on waiting list	93,866	383,481	477,347
Patients waiting 0-12 weeks	29,680	157,244	186,924
Patients waiting 13-25 weeks	17,604	75,199	92,803
Patients waiting over 26 weeks	46,582	151,038	197,620

Out-patient activity 2021/22
Out-patients first attendances: 569,946
Out-patients follow-up attendances: 1,451,941
Total = 2,021,887

Bed usage 2021/22
Average in-patient stay = 3.95 days

Patient care performance

Complaints

The MFT Compliments, Concerns and Complaints Policy (2018) provides a framework for complaint handling to support MFT to meet the requirements of the Local Authority Social Services and National Health Service Complaints (England) Regulations Act (2009) and is in accordance with the requirements of the NHS Constitution and the Duty of Candour (2014).

It also reflects the Parliamentary and Health Service Ombudsman's Principles of Good Complaints Handling (2009). The policy also takes account of the principles of My Expectations for Raising Concerns and Complaints (2014), published jointly by the Local Government Ombudsman, Healthwatch and the Parliamentary and Health Service Ombudsman.

The policy provides staff with guidance, support and assistance in dealing with complaints, concerns and compliments; specifically emphasising the importance of the early resolution of concerns and complaints.

In line with the regulations, the Trust has a responsibility to ensure complaints are dealt with efficiently and all concerns and complaints are registered and dealt with openly, accurately and in a timely manner.

The timeframe assigned to a complaint is dependent upon its complexity. The timeframe is agreed with all complainants with an explanation that when the outcome of the investigation is available this will be sent to them in writing from the Group or Hospital/ Managed Clinical Service/LCO Chief Executive.

The Trust is committed to making improvements at all stages of the complaint journey and systems are in place to support the sharing of learning and service improvements that arise from complaints.

The accountability for the management and monitoring of complaints was fully devolved to the Hospital/MCS and LCO Chief Executives during Quarter 4 of 2017/18. All cases that remain unresolved after their agreed timeframe are monitored at Group level by the Executive Team via the Trust's Accountability Oversight Framework (AOF), which informs the decision-making rights of Hospital/MCS/LCO Chief Executives and their teams.

Against a target of 90% compliance resolution within timeframe, MFT reported a compliance rate of 42.3% in January 2019. In Quarter 1 of 2019/20, in discussion with Commissioners, the Trust agreed a trajectory for improvement, with the aim of reaching the 90% target by the end of 2019/20. By Quarter 3 in 2021/22, there was a response rate of 89.2% of complaints responded to within the agreed timescale.

Work is ongoing with Hospital/MCS/LCO management teams to ensure timeframes are appropriate and achieved, ensuring the complainant is kept informed, as to the progress of their complaint.

Performance against national quality measures

The charts below provides figures and, where possible, comparative information to show MFT's performance against a range of key national quality measures.

MFT performance against national quality indicators

		Data Source	2021/22	2020/21	National Average	Indicator Comments
Patient Safety Measures	Improvement in VTE risk assessments carried out	Trust Data	89.18%	90.94%	95.63% - Q1 2019/20 (not submitted since)	95% of all eligible patients to be risk assessed for VTE
	Reduction in hospital acquired grade 3 or 4 pressure ulcer	Trust Data	19	12	Not available	Trust goal is reduce the occurrence year on year
	Reduction in serious patient safety incidents resulting in actual Harm (those graded at level 4 or 5)	Trust Data	86 53 x level 4 33 x level 5	66 43 x level 4 23 x level 5	Not available	Trust goal is to learn from incidents in order to improve patient safety
Clinical Effective-ness	Reduce hospital standardised mortality ratio (HSMR)	Dr Foster	81.4 (Jan 21 - Dec 21)	88.36 (Mar 20-Feb 21)	100	National target <100
	Reduce Summary Hospital Mortality Indicator (SHMI)	HSCIC	94.07 (Dec 20 - Nov 21)	94.05 (Jan-Dec 20)	100	National target <100
	Percentage of patient deaths with palliative care coded at either diagnosis or specialty level	Dr Foster	44.1% (Jan 21 - Dec 21)	42.90%	37.27%	
Patient	Increase overall satisfaction expressed with pain management	National Audit Data (via Trust Board Assurance Report)	91.31%	90.51%	Not available	Trust goal is to improve patient satisfaction year on year

	Increase overall satisfaction expressed with fluids and nutrition provided	National Audit Data (via Trust Board Assurance Report)	84.67%	84.21%	Not available	Trust goal is to improve patient satisfaction year on year
	Increase overall satisfaction with the cleanliness of the ward or department	Trust Data	94.52%	95.12%	Not available	Trust goal is to increase and maintain cleanliness of ward department

MFT performance against national priorities and core standards

		Data Source	2021/22	2020/21	National Average	Target
Infection Control	Reduction of the number of Clostridium Difficile cases	Trust Data	196	179	N/A	Trust target no more than 105 cases
	Clostridium Difficile Infection per 100,000 bed days in patients aged 2 or over	Trust Data	26.8	30.6	21.6	National average based on Q1 – Q3 rate
	Reduction of the number of MRSA cases	Trust Data	10	15	N/A	Trust target is 0 avoidable cases
Cancer Waiting Times	Maximum waiting time of two weeks from urgent GP referral to first out-patient appointment for all urgent suspected cancer referrals	Exeter System	79.67% (Mar 21 - Feb 22)	75.92 %	88.70% 2020/21	Trust goal is to meet national target
	Maximum 31 days from decision to treat to start of treatment extended to cover all cancer treatments	Exeter System	88.50% (Mar 21 - Feb 22)	91.55 %	95.00% 2020/21	National target
	Maximum 31 days from decision to treat to start of subsequent treatment: Surgery	Exeter System	86.83% (Mar 21 - Feb 22)	88.51 %	88.00% 2020/21	National target
	Maximum 31 days from decision to treat to start of subsequent treatment: Chemotherapy	Exeter System	98.05% (Mar 21 - Feb 22)	99.44 %	99.10% 2020/21	national target

	62-day wait for first treatment from urgent GP referral for all cancers	Exeter System	57.35% (Mar 21 - Feb 22)	63.05 %	74.30% 2020/21	National target
	62 -day wait for first treatment from NHS Cancer Screening Service referral	Exeter System	75.62% (Mar 21 - Feb 22)	82%	75.10% 2020/21	National target
Referral To Treatment	18 weeks maximum wait from point of referral to treatment (RTT) (non-admitted patients)	UNIFY 2	68.74%	66.68 %	74.46%	National target
	18 weeks maximum wait from point of referral to treatment (RTT) (admitted patients)	UNIFY 2	66.43%	75.21 %	66.41%	National target
	18 weeks maximum wait from patients not yet treated (RTT)	UNIFY 2	50.49%	55.64 %	62.80%	National target
Urgent Care (Trust Total)	Maximum waiting time of 4 hours in A&E from arrival to admission, transfer or discharge	Trust Data-Board assurance	63.39%	84.4%	73.27%	National target
Diagnosis waiting time	Maximum 6 week wait for diagnostic procedure	UNIFY 2	27.06%	19.14 %	35.67%	National target

National and local clinical audits

National clinical audits

The national clinical audits that the Trust was eligible to participate in during 2021/22 are shown in the table below. It is important to note that participation in some national audits was affected by the required response to the COVID-19 pandemic.

Title	No. of cases	% of cases submitted	Commentary
Case Mix Programme (CMP)	CSS – 4711 NMGH - 443	CSS - 99% NMGH - 100%	
Cleft Registry and Audit Network (CRANE)	RMCH - 47	RMCH - 100%	
Emergency Medicine QIPs - Pain in Children	RMCH - TBC WTWA - TBC	RMCH - TBC WTWA - TBC	Data collection ongoing until October 2022

National Audit of Seizures and Epilepsies in Children & Young People (Epilepsy 12)	RMCH – 34	RMCH – 48%	Data from patients in cohort 4 (01.12.20 to 30.11.21)
National Audit of Inpatient Falls	MFT - 29 NMGH - 9	MFT - Unknown NMGH - 100%	Service transition resulted in submission delays
National Hip Fracture Database (NHFD)	MRI – 61 WTWA – 516 NMGH - 383	MRI 100% WTWA 100% NMGH 100%	
National Bowel Cancer Audit (NBOCA)	MRI - 198 WTWA – 164	MRI – 100% WTWA – 100%	Data will be validated in October 2022
National Oesophago-Gastric Cancer Audit (NOGCA)	MFT – 108	MFT – 100%	Only the diagnostic element of this audit occurs at MFT
Inflammatory Bowel Disease (IBD) Audit -Inflammatory Bowel Disease (IBD) Biological Therapies Audit	MRI – 0 WTWA -TBC RMCH -TBC	MRI – N/A WTWA –TBC RMCH -TBC	MRI did not participate in 21/22 audit
LeDeR - learning from lives and deaths of people with a learning disability and autistic	WTWA – 17	WTWA – 100%	
Management of the Lower Ureter in Nephroureterectomy	MRI – 0 WTWA – 9	MRI – N/A WTWA – N/A	No submissions in 2021/22, only follow-up data for outcomes in 2017-19
National Diabetes Foot Care Audit	MRI - 170 TGH - TBC WTWA - TBC NMGH - 20	MRI – 100% TGH – TBC WTWA -TBC NMGH - 100%	
National Diabetes Inpatient Audit Harms (NADIA)	MRI - TBC NMGH – 0 WTWA – 29	MRI - TBC NMGH - N/A WTWA – 100%	NMGH did not participate in 2021/22
National Core Diabetes Audit	MRI – TBC WTWA – 0 NMGH – 0	MRI – TBC WTWA – N/A NMGH – N/A	

National Diabetes in Pregnancy Audit	SMH - 105 NMGH - 41	SMH - 100% NMGH - 100%	All data available when annual report is published in Oct 2022
Adult Asthma Secondary Care	MRI - 191 WTWA – TBC	MRI - 63% WTWA -TBC	2021/22 NACAP submission closes on
Chronic Obstructive Pulmonary Disease (COPD)	MRI – 513 WTWA - TBC NMGH - 669	MRI – 76% WTWA – TBC NMGH - 84%	2021/22 NACAP submission closes on
Paediatric Asthma Secondary Care	RMCH – 228 NMGH - 167	RMCH - 99% NMGH - 56%	
Pulmonary Rehabilitation	MRI – 66 WTWA - 343 NMGH - 28	MRI - 100% WTWA – 50% NMGH - 100%	
National Audit of Breast Cancer in Older People (NABCOP)	WTWA – 884 NMGH - TBC	WTWA – 100% NMGH - TBC	
National Audit of Cardiac Rehabilitation	MFT – TBC	MFT – TBC	Data requested, but not normally available until report in May
National Audit of Care at the End of Life (NACEL)	MRI - 26 WTWA – 4 NMGH 43	MRI - 37% WTWA - 100% NMGH 86%	
National Cardiac Arrest Audit	CSS - 87 WTWA - 86	CSS – 100% WTWA – 100%	
Myocardial Ischaemia National Audit Project (MINAP)	MRI – 1056 WTWA – 676	MRI – 100% WTWA – 100%	Data submission closes after validation on 30.06.22
National Adult Cardiac Surgery Audit	MRI – 368 WTWA -TBC	MRI – 100% WTWA –TBC	Data submission closes after validation on

National Audit of Cardiac Rhythm Management (CRM)	MRI – 1048 WTWA -TBC	MRI – 100% WTWA –TBC	Data submission closes after validation on 30.06.22
National Audit of Percutaneous Coronary Interventions (PCI)	MRI – 1668 WTWA -TBC	MRI – 100% WTWA –TBC	Data submission closes after validation on 30.06.22
National Congenital Heart Disease Audit (NCHDA)	MRI - 109	MRI - 100%	Data submission closes after validation on
National Heart Failure Audit	MRI – 1300 WTWA – 285	MRI – 100% WTWA – 100%	Data submission closes after validation on 30.06.22
Audit of Blood Transfusion against NICE Guidelines	CSS – 80	CSS – 100%	
National Early Inflammatory Arthritis Audit (NEIAA)	MRI – 41 WTWA – 7	MRI – Unknown WTWA – 100%	Not possible to determine as % of cases. Low figures due to Covid-19
National Emergency Laparotomy Audit (NELA)	MRI – 84 WTWA -TBC NMGH - 34	MRI – 100% WTWA –TBC NMGH - 100%	NMGH - 01.04.21-08.03.22
National Joint Registry	MRI – 35 WTWA - 854	MRI – 100% WTWA – 100%	Data validation on-going
National Lung Cancer Audit	MRI – TBC WTWA -TBC NMGH - 140	MRI – TBC WTWA –TBC NMGH - 100%	NMGH - 01.04.21-08.03.22
National Maternity and Perinatal Audit (NMPA)	NMGH – Unknown*	NMGH - 100%	*Provided automatically by NHS Digital, actual number unavailable
National Neonatal Audit Programme (NNAP)	SMH - 1765	SMH – 100%	
National Paediatric Diabetes Audit (NPDA)	RMCH - 542 NMGH - TBC	RMCH - 100% NMGH - 100%	NPDA cannot confirm numbers until June. ROH have handled

			this under an SLA
National Prostate Cancer Audit (NPCA)	MRI – TBC WTWA – 202	MRI – TBC WTWA – 100%	
National Vascular Registry	MFT - 511	MFT - 100%	
Paediatric Intensive Care Audit Network (PICANet)	RMCH - 970	RMCH - 100%	
Chronic Kidney Disease Registry	MFT – TBC	MFT - TBC	
National Smoking Cessation Audit	MRI – 34 WTWA – 74	MRI – 100% WTWA – 100%	
Sentinel Stroke National Audit Programme (SSNAP)	MRI – 263 WTWA – 328	MRI - 100% WTWA - 100%	
Serious Hazards of Transfusion (SHOT): UK National hemovigilance scheme	CSS - 19	CSS - 100%	
Society for Acute Medicine Benchmarking Audit (SAMBA	MRI – 87 WTWA – TBC NMGH – 30	MRI – Unknown WTWA – TBC NMGH – 100%	
Trauma Audit & Research Network	MRI – 933 RMCH - 213 WTWA – 388 NMGH – 0	MRI – 100% RMCH – 100% WTWA – 100% NMGH – N/A	NMGH - there has been no activity since transition due to staffing changes/issues that were not highlighted
UK Cystic Fibrosis Registry	RMCH - 219	RMCH - 100%	Based on 2021 calendar year

Local clinical audits

The Trust reviewed the outcome of 380 local clinical audits in 2021/22, including:

- An audit of compliance with the compliance with national standards for providing therapy after burns (Wythenshawe Burns Centre).The results

showed significant assurance following implementation of a range of improvement initiatives after the previous audit.

- An audit on X-rays of devices implanted in cardiac patients was undertaken for a second time in Manchester Royal Infirmary.
  The audit was designed to provide assurance that the implants were reviewed within the required timeframe. The results indicated that all patients had been reviewed within the expected timeframe, which was an improvement from the first audit.
- The bereavement centre based at Manchester Royal Infirmary undertook an audit of death certification. It concluded that almost all deaths were certified in the required time.

  Junior doctors took part in the audit and in the follow-up improvement actions, helping with teaching sessions, posters and updating web pages. The resources will improve the knowledge and confidence of doctors completing death certificates and reduce the time taken in completing them.
- The Manchester Local Care Organisation audited posture management in children with Cerebral Palsy. The results provided assurance that staff were continuing to use the Physio & Me handbook, which provides useful advice to children, their parents and school staff. It has now been incorporated into staff training.
- St Mary's Hospital's reproductive medicine department repeated an audit reviewing their clinical records. The audit displayed a clear improvement in their processes and demonstrated that the actions they had implemented following the first audit had been successful and were firmly rooted in current practice.
- Major trauma often results in people living with disability that results in a reduced quality of life. It is important to make sure these patients have access to rehabilitation, so they enjoy the best recovery after their injury. The rehabilitation prescription is used to record the rehabilitation needs of a patient and identifies how their needs should be best addressed. An audit was undertaken to look at 30 rehabilitation prescriptions to see if they were accurate and completed on time. The results of the audit showed that all the prescriptions were accurate (100%) and almost all (96%) were completed within the required timeframe.

Data quality

MFT submitted records during 2021/22 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The percentage of records in the published data which included the patient's valid NHS number was:

- **99.5%** for admitted patient care
- **99.7%** for outpatient care
- **96.5%** for accident and emergency care.

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

- **99.6%** for admitted patient care

- **99.3%** for outpatient care
- **98.6%** for accident and emergency care.

Sustainability performance

The MFT Board approved a new Green Plan (22/23 - 24/25) in January 2022. This strategy aligns with *Delivering a 'Net Zero' National Health Service* and sets out our vision to '**provide greener, safer, more consistent care that's fit for the future**'.

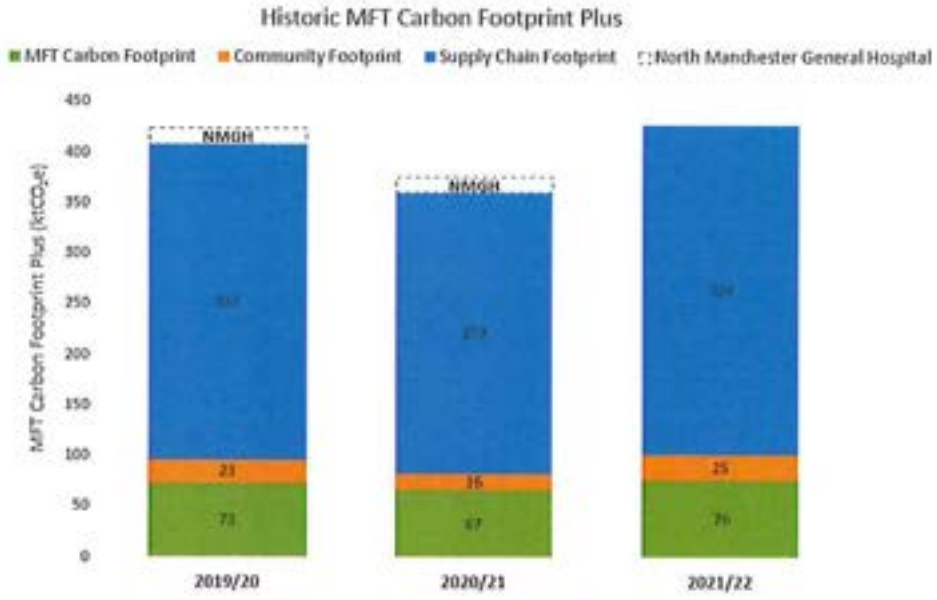
The Green Plan introduces a carbon budget approach to managing emissions, required to stay on track to reach net zero carbon for our carbon footprint (the emissions we directly control) by 2038, and our carbon footprint plus (emissions we directly and indirectly control) by 2045.

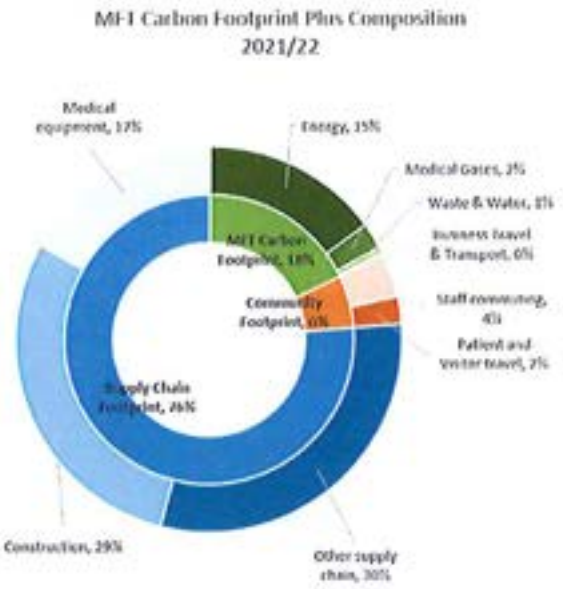
This summary uses the structure of the new Green Plan to review sustainability performance over the past 12 months, although the plan only became fully mobilised in the final quarter of the financial year. All current and historical datasets used within this analysis have been re-baselined to incorporate North Manchester General Hospital. To support this summary, we have produced a more detailed standalone sustainability report that's available on the Trust's website: https://mft.nhs.uk/the-trust/reports-and-publications/.

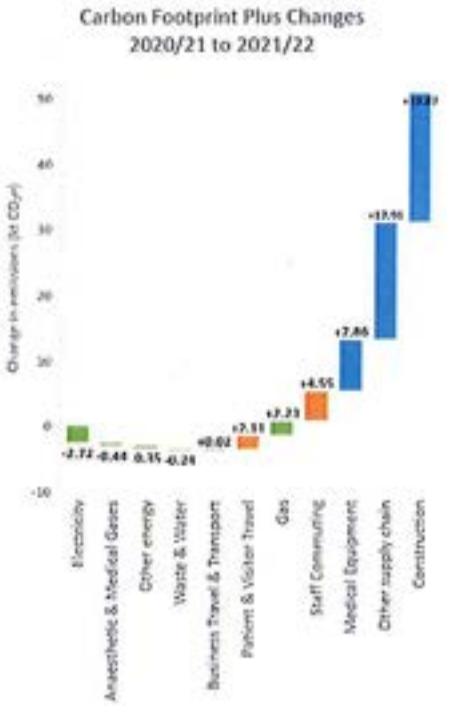
2021/22 carbon summary

- The MFT carbon footprint plus has increased to 427,198 tCO_2e, 13.5% greater than 20/21. This is due to a sharp rise in our supply chain footprint, which is now 76% of the carbon footprint plus, with the largest rises attributable to expenditure on construction and commissioned health and social care services
- MFT's carbon footprint has reduced by 1.9% to 76,413 tCO_2e, with energy continuing to be the largest component within our direct control. Gas consumption has increased by 2.3%, counteracting energy savings made elsewhere. It now accounts for 55% of the carbon footprint.

The number of patient contacts increased by 9% and the number of bed days increased by 6% on the previous financial year



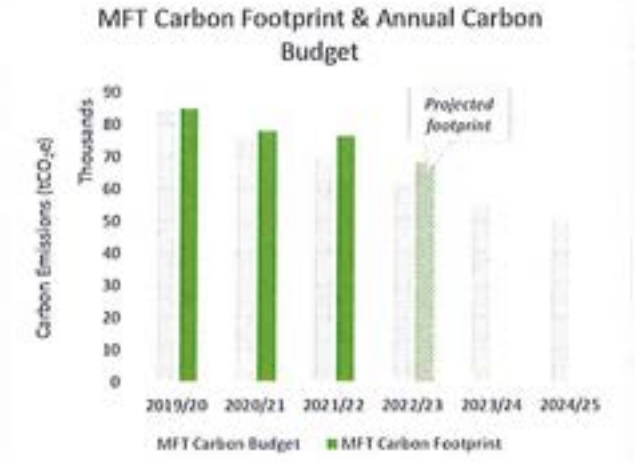




MFT carbon footprint projections

The carbon budget specifically relates to the emissions we directly control, and the budget requires an ambitious 10% year-on-year carbon reduction (in line with the Greater Manchester Combined Authority target)

- The 21/22 MFT carbon footprint is 76,413 tCO_2e, 11% (7,604 tCO_2e) beyond the allocated carbon budget for the year. In addition to emissions since the baseline year (2019/20), this leaves 158,777 tCO_2e remaining within our interim budget, which takes us to the end of our current Green Plan (2024/25)
- Current projected emissions for 2022/23 indicate a decrease of 8,326 tCO_2e, equivalent to a 10.9% reduction on the 21/22 carbon footprint. This is a consequence of widescale energy infrastructure improvements and the decommissioning of a nitrous oxide manifold. This reduction will not fully compensate for previous years' emissions that have exceeded the budget



Sustainable models of care – the Trust-wide roll out of Patient Initiated Follow up (PIFU) for outpatient appointments is helping to avoid unnecessary appointments and divert services to those most in need of care. In 21/22, 14,652 patients were moved or discharged to a PIFU pathway. MFT has been leading an innovative project into Greener Operations, consulting with clinicians, patients and members of the public to identify key sustainability research questions to understand how to make peri-operative care more sustainable.

Digital transformation – virtual outpatient appointments are becoming more embedded across MFT with an average of 25% of outpatient appointments being delivered virtually each month, preventing emissions of around 1,000 tCO_2e a year. The Trust is preparing for the launch of the Electronic Patient Record System, Hive, in autumn 2022, and work is underway to understand how this impacts the sustainability and net zero agenda.

Supply chain and procurement – we have been proactive in preparing for the implementation of a minimum 10% social value weighting within all new tenders by April 2022 – it has already been applied to four tenders. We undertook an innovative spend analysis exercise, using artificial intelligence to conduct a detailed carbon footprint of all Trust expenditure. This has assisted in gaining a deeper understanding of this large component of our overall impact, identifying supplier and procurement carbon hotspots.

Medicines – carbon emissions from medical gases and volatile anaesthesia reduced by 4.5% in 21/22, largely due to the reduced consumption of Entonox/Equinox within maternity services. Desflurane (a volatile anaesthetic gas with an extremely high global warming potential) consumption remains low at only 2% of all volatile anaesthesia. MFT is also participating in a national sustainable inhaler audit research project, and work is underway to develop our inhaler carbon footprint to identify actions for patients and clinicians.

Food and nutrition – food waste collections have expanded to Wythenshawe Hospital and North Manchester General Hospital sites this year, where food waste has historically been macerated, causing a negative environmental impact. This is reflected in the 67% increase in food waste collections (by volume) that are now treated via anaerobic digestion.

Estates and facilities – carbon emissions from energy have decreased by 1.3%. Reductions have been made through electricity consumption and reduced use of backup oil boilers. Three new gas-fired Combined Heat and Power (CHP) plants have been in operation for the full duration of 21/22, and the carbon intensity of gas has risen by 3%. Over £7.5million in low carbon energy infrastructure investments were made in 21/22, funded by the Public Sector Decarbonisation Scheme (PSDS), to increase energy efficiency and establish greater on-site renewable energy generation. The associated carbon savings will be fully realised in 22/23. Energy remains the largest component of the MFT's carbon footprint (84%), and significant attention is now being paid to medium to long-term plans for heating decarbonisation to achieve net zero carbon.

Total volumes of waste generated have increased by 10%, largely as a result of increased offensive waste, general waste, electrical waste (preparation for Hive) and food waste (as a result of expansion of collections). The current recycling rate is 21.3%.

Travel and transport - two electric cargo bikes have been added to the existing electric fleet of 12 vehicles. They are used to collect samples from local GPs that are then sent for testing within our hospital labs. Using the bikes enables fleet vehicles to be used for other tasks, ultimately improving local air quality. The community footprint from patient and visitor travel has grown in 21/22, as greater movements of staff and patients are now being seen.

Climate change adaptation – the Trust has updated its Climate Change Adaptation Plan to prepare for future extreme weather events, and climate change risks have been added to the Trust's risk register. Nature-based solutions , such as green walls are now proactively being explored to incorporate climate change adaptation infrastructure into existing redevelopment projects.

Green spaces and biodiversity – local green spaces continue to be used for staff wellbeing and patient recovery, with progress being made in developing a new garden space at North Manchester General Hospital, specifically for critical care patients with greater accessibility and privacy needs. This is in addition to a new staff wellbeing garden opening at Wythenshawe Hospital in April 2022. The beekeeping project has been fully re-established following the pandemic, with a group of trained staff volunteers now successfully managing the rooftop hives.

Workforce, networks and system leadership – staff have continued to be engaged in the sustainability agenda. They were involved in the MFT Cycle Club campaign in Q1. Meanwhile, a cohort of teams received Green Impact accreditation in Q2, despite the operational challenges faced over the previous 12 months. The Trust has also provided support to the North West region and Greater Manchester to help develop new Green Plans and deliver greener NHS priorities.

Advancing equality, diversity and inclusion

Diversity Matters is our equality, diversity and inclusion strategy for 2019 to 2023. It outlines our ambition to be the best place for patient quality and experience and the best place to work. It is central to achieving MFT's vision of 'improving health and well-being for our diverse population'. Diversity Matters can be accessed at: https://mft.nhs.uk/the-trust/equality-diversity-and-inclusion/

The strategy provides a framework for action and focuses on three main aims:

1. Improved patient access, safety, and experience
2. A representative and supported workforce
3. Inclusive leadership

These aims are underpinned by a set of objectives and results that will be achieved during the four-year strategy:

Improved patient access, safety and experience	A representative and supported workforce	Inclusive leadership
We will: • Consider how our decisions will affect equality and reduce unfavourable effects. • Know who uses our services by equality and their experiences and reduce any differences that we find. • Carry on working towards the Accessible Information Standard. • Make sure that people with learning disabilities and autism get treatment, care and support. • Be the first Trust in the country to deliver Pride in Practice. This is recognition from the LGBT Foundation. • Make our way-finding and signage easier.	We will: • Consider how our decisions will affect equality and reduce unfavourable effects. • Know who our staff are by equality and their experiences and reduce any differences that we find. • Take a zero tolerance approach to bullying, abuse and harassment. • Work towards being a Disability Confident Lead employer. • Increase ethnic diversity at Board and senior management levels.	We will: • Board members and senior leader will champion equality and divers Some examples include: ◦ Talk about equality, diversity and inclusion ◦ Engage their staff ◦ Understanding how our decisior will affect equality and reduce unfavourable effects ◦ Have equality, diversity and inclusion objectives in their local delivery plans ◦ Use inclusive leadership competencies in recruitment an appraisal.
The results we are aiming for: • Everyone who needs to can use Trust services. • Individual people's health and care needs are met. • When people use Trust services they are free from harm. • People report positive experiences of Trust services.	The results we are aiming for: • Staff are free from harassment, bullying and physical violence. • Staff believe that the Trust provides equal opportunities. • Staff recommend the Trust as a place to work and receive treatment.	The results we are aiming for: • Board members and senior leader demonstrate their commitment tc equality, diversity and inclusion. • Board and Committee papers will identify equality-related impacts and how unfavourable effect will reduced.

Improved patient access, safety, and experience

We want to continue to create a culture of care based on positive attitudes, welcoming the diversity of patients, their families, carers, and service users and meeting their diverse needs. We will continually look to improve by embedding inclusion into everyday practice and at the heart of policy and planning.

Case study: Patient Initiated Follow Up

Following a hospital appointment, it is often necessary to arrange follow-up appointments for ongoing care. Traditionally, these appointments are offered at routine intervals, but in some cases, patients might need a follow-up appointment sooner than their scheduled session or they may agree with their clinician that a follow-up is not required unless their symptoms flare up or their circumstances change. Patient Initiated Follow Up (PIFU) gives patients the flexibility to request follow-up appointments as they are needed, rather than regular scheduled check-ups. PIFU works well for patients, who would otherwise be booked for a scheduled review, not for patients who would otherwise be discharged.

As a part of the equality impact assessment (EQIA), flexibility has been built into the approach. Where appropriate, clinical assessments will include options to involve carers in accessing the digital pathway on behalf of patients and face-to-face provision is also available to the patients in order to enhance access.

Case study: Improving services for patients with learning disability and autism
The Trust's specialist Learning Disability and Autism Nursing Team has been expanded to North Manchester General Hospital. In addition, learning disability champions and a Learning Disability Champions Forum are in place. An e-learning module has been co-produced with learning disability and/or autism partners and patient/carer forums to raise awareness with staff across the Trust. We are encouraging the use of the patient passport for patients with learning disabilities and/or autism and are working to establish consistent systems, processes and documentation. This includes flagging for patients with learning disabilities and/or autism in Electronic Patient Records (EPR) and electronic boards on wards.

Case study: Creating LGBT+ inclusive services; Child and Adolescent Mental Health Service
The Child and Adolescent Mental Health Service (CAMHS) is working in partnership with trans youth groups to provide support to LGBT+ patients. The feedback from children and young people and their parents and carers indicates it has helped with feelings of isolation and anxiety and that participants in the groups learn a lot from each other and the group facilitators. CAMHS has also recruited LGBT+ Champions, who have been working with young people to develop better communication and referral pathways to Gender Identity Clinics.

Other initiatives involving CAMHS include:

- Organising a Pride Road Show
- Using a tool created by young people to assess how LGBQT-friendly our CAMHS facilities are
- Creating a display board of all staff with pledges regarding being an LGBT ally
- Staff identifying their preferred pronouns in their emails and letter signatures.

A representative and supported workforce
We aim to be an employer of choice that recruits and develops staff fairly, taking appropriate action whenever necessary, so that talented people choose to join, remain and develop within the Trust. Strong equality, diversity and inclusion at all levels will underpin consistently good patient care across all services.

Case study: Staff Voice
As information emerged about the disproportionate impacts of the COVID-19 pandemic, staff engagement groups were used to help shape the support given to staff, who were seen as equal experts.

The COVID-19 Engagement Groups are chaired by human resource directors and come together in a Workforce Strategic Equality Advisory Group chaired by the Trust's Group Executive Director for Workforce and Corporate Business, providing executive sponsorship and reporting directly into Strategic COVID-19 Command. Examples of the impact the Groups have had include increasing take-up of risk assessments and co-produced training videos and wellbeing packs and guides.

The Groups were shortlisted for the enei Employee Network for Equality and Inclusion excellence award. These awards celebrate the excellent work of teams and individuals within organisations, who are truly making a difference.

Case study: Increasing diversity in our senior leadership
The Trust's Workforce Race Equality Standard (WRES) Report highlights that the overall ethnic diversity of the Trust is increasing year-on-year, reflecting the Greater Manchester population. However, the Trust is significantly less diverse at NHS Agenda for Change (AfC) Bands 8a and above.

We have developed a Removing the Barriers Programme to increase ethnic diversity of staff across our AfC Band 8a and above. The programme comprises actions to address representation on two fronts:

1. Addressing the systematic barriers to progression
2. Empowering Black, Asian and Minority Ethnic (BAME) staff

The programme is also made up of the following three schemes:

The Diverse Recruitment Panels Scheme (DRPS) – has introduced the requirement that all recruitment at the Trust, for roles AfC Band 8a and above, to have at least once member of staff from a BAME background included in the interview or assessment panel. The DRPS members support recruiting managers with their interviews for recruitment for Bands 8a and above. This involves supporting the interview and must also include a discussion and decision to appoint a candidate in post.

The Reciprocal Mentoring Scheme (RMS) - links a senior leader with an ethnic minority colleague for regular one-to-one mentoring conversations.
The sharing of lived experiences helps to have a positive impact on approaches taken by senior leaders. In return, the senior leaders share their wealth of knowledge and experience, supporting career development.

The E3 Ring-Fenced Secondments Scheme (E3) - Provides ethnic minority staff with the opportunity to gain Experience, Exposure, Education (E3), through ring-fenced secondment opportunities. E3 Ring-Fenced Secondments are formal stretch assignments that enable members of staff to evidence their capabilities when applying for senior leadership roles in the future.

Case study: Ramadan and Eid
The 12th April to 1st May 2021 was the Muslim holy month of Ramadan, followed by the celebratory days of Eid al-Fit. Ramadan is a time for spiritual reflection and prayer and involves a daily period of fasting, starting at sunrise and finishing at sunset over the month. However, this year was different for staff, volunteers and patients, who are Muslim and observe fasting during Ramadan due to the ongoing pandemic. In response to this, we produced a guide to inform staff and managers about Ramadan during COVID-19, and a guide to support patients with information and practical advice.

We also provided Iftar boxes across sites for our Muslim colleagues to break their fast while working. Each box contained a packet of crisps and dates, cereal bar and carton of orange juice. The response was very positive.

2.3 Highlights from our Hospitals, Managed Clinical Services and Local Care Organisations

- ***Royal recognition for pandemic service***

Throughout the pandemic, every single member of staff from across the Trust has continued to go above and beyond to keep our services operating and protect the people we serve. This has resulted in a number of our staff being honoured for their sacrifice and dedication over the last three years.

Julia Bridgewater, Group Chief Operating Officer, was awarded an MBE in recognition of her leadership to MFT's response to the pandemic, as well as her major contribution to the regional and national pandemic management strategy.

Julie Cawthorne, Assistant Chief Nurse for Infection Prevention & Control (IPC), was awarded an MBE in recognition of her outstanding contribution to patient safety over a 40-year career in nursing, as well as her vital role in responding to the pandemic.

Esin Eno-Obong, Ward Clerk on the Adult Critical Care Unit at MRI, was awarded a British Empire Medal (BEM) for services to the NHS during the pandemic. His personal contribution, energy and focus ensured that the first day of testing ran smoothly and efficiently, enabling more than 170 staff to be tested within a few hours.

Jemma Haines, Chief Allied Health Professional at MFT, was awarded an MBE in recognition of her leadership within the field of upper airway respiratory disorders in speech and language therapy and her significant contribution to supporting modifications to practice during the COVID-19 pandemic.

Professor Cheryl Lenney, Chief Nurse at MFT, was awarded an OBE in October 2020 as part of the Queen's Birthday Honours list. With over 38 years' experience as a nurse and midwife, she was recognised for her career and work during the pandemic.

Dr Marie Marshall, Consultant Nurse for Transition, received an MBE in recognition of her collaborative with colleagues locally and nationally to develop transition services that meet the needs of children and young people.

Sarah Wallace, Consultant Speech and Language Therapist, was awarded an OBE work for being an internationally-recognised leader and senior clinician within the field of dysphagia and critical care in speech and language therapy (SLT), as well as her vital role in responding to the pandemic.

Marie Zsigmond, Named Midwife for Safeguarding at Saint Mary's Hospital, was awarded a British Empire Medal (BEM) for services to Midwifery and Midwifery Safeguarding in the Queen's Birthday Honours. A midwife since 1994, Marie delayed her retirement to support colleagues during the pandemic.

- ***Manchester Royal Eye Hospital (MREH)***

Investigational gene therapy designed to halt the progression of dry Age-related Macular Degeneration (AMD) is trialled at **Manchester Royal Eye Hospital (MREH).** The GT005 therapy is part of a global clinical trial called FOCUS and is being carried out at just four sites across the UK.

- ***Manchester Royal Infirmary (MRI)***

Researcher receives prestigious surgical honour

Mr Lestyn Shapey, Specialist Trainee in Hepatobiliary and Pancreatic Surgery, was awarded the Syme medal by the Royal College of Surgeons of Edinburgh (RCSEd). He received the award for his research into blood sugar (glucose) control in organ donors and how it affects the success of pancreas transplants and cells responsible for glucose regulation in diabetic patients.

Dr Jafar named Young Researcher of 2021/22 by RCEM and NIHR

Dr Anisa Jafar was named as the Young Researcher of the Year by the NIHR Clinical Research Network (CRN) and the Royal College of Emergency Medicine (RCEM). Judges found Dr Jafar to be an excellent role model for young researchers and were enthused by her commitment to global health (GH) and well thought-out research project.

- ***North Manchester General Hospital (NMGH)***

NMGH formally joins MFT to create a Single Hospital Service for Manchester

The final stage of the long-held ambition to provide a Single Hospital Service for patients in the City of Manchester and Trafford was successfully completed in April 2021. Extending the benefits of MFT and building on the existing expertise at NMGH has enabled the provision of better, safer and more consistent care to the people of Manchester, Trafford and wider communities.

MFT Lamp shines alight on good practice at NMGH

During a special ceremony at Manchester Cathedral inSeptember2021 to mark the close of MFT's Year of the Nurse and Midwife celebrations, the MFT Lamp was passed by Group Deputy Chief Nurse Sue Ward to its final recipient, Abda Hussain, a Staff Nurse at NMGH.

The symbolic lamp will travel around NMGH to reflect learning from the past, and provide an opportunity to shine a light on the excellent team-working, specialist skills and the pride nurses and midwives take in their professions.

- ***Royal Manchester Children's Hospital (RMCH)***

Child receives world-first gene therapy

A RMCH patient was the first child in the world to receive a pioneering new gene therapy as part of a clinical trial for GM1 gangliosidosis, a rare genetic condition that results in severe and life-threatening damage to the brain and spinal cord.

Patient receives life-saving gene-therapy drug

A life-saving drug that can improve mobility in babies and young children suffering from a rare genetic condition was given to a patient for the first time in the North of England at RMCH. Zolgensma is a one-off gene therapy that treats Spinal Muscular Atrophy (SMA), a rare and often fatal genetic disease that causes paralysis, muscle weakness and progressive loss of movement.

Manchester research contributes to NICE peanut allergy treatment for children

Children in the UK will be able to receive Palforzia – a life-changing oral treatment for peanut allergies – as NHS standard of care following approval for use by the National Institute for Health and Care Excellence (NICE). The Palisade study was carried out in the UK at selected centres, including the National Institute for Health Research (NIHR) Manchester Clinical Research Facility (CRF) at RMCH.

- ***Saint Mary's Hospital Managed Clinical Services***

MFT wins four Nursing Times Awards and RCM Maternity Team of the Year

Midwives and maternity support workers in Manchester scooped the prestigious award for Midwifery Service of the Year at the Royal College of Midwives (RCM) annual awards. MFT colleagues were also recognised at the Nursing Times Awards in categories, including cancer, respiratory, promoting patient self-management, and public health.

Innovative app for pregnant women launched

The new MyMaternity app helps clinicians remotely monitor blood pressure and glucose levels of pregnant women and spot the early signs of serious complications. Developed with clinicians at Saint Mary's Hospital, the app is available at three hospitals in Greater Manchester and has supported more than 400 pregnant women so far.

- ***Wythenshawe, Trafford, Withington and Altrincham Hospitals (WTWA)***

Researchers aim to make surgical operations greener

Healthcare staff at Wythenshawe Hospital launched a collaborative research project into how surgical care can be made more environmentally sustainable. Supported by the MFT Charity and run in collaboration with The James Lind Alliance (JLA), the Greener Operations Priority Setting Partnership (PSP) involves gathering views from patients, carers, healthcare professionals and the public to guide future research areas to make peri-operative practice 'greener'.

Greater Manchester research van welcomes first study participants

Following a successful 'dry run' at its Wythenshawe Hospital base, the first participants took part in a study on-board Greater Manchester's new state-of-the-art Research Van. The one-stop mobile facility supports the delivery of research projects at community locations across the region.

- ***Clinical and Scientific Services***

Imaging Team named winners at HSJ Patient Safety Awards

Our Imaging Team won the Perioperative and Surgical Care Initiative of the Year category at the annual HSJ Patient Safety Awards in 2021. The team was recognised for its impressive and outstanding work in perioperative and surgical care, delivered in partnership with GE Healthcare.

Success at first virtual BAME Awards ceremony

MFT staff saw success at the National BAME Health and Care Awards. Nour Moterek and Hafsa Atique-Ur-Rehman from the Pharmacy Team (CSS) were named winners in the Workforce Innovator of the Year category. The awards celebrate the progress made in supporting BAME staff, who thrive in healthcare organisations. A total of 13 MFT staff members were shortlisted for awards.

- ***Manchester Local Care Organisation (MLCO)***

A £1million investment secured by MLCO will enable the launch of a new model of Community Stroke and Neuro Rehabilitation across South and Central Manchester from summer 2022. These services help to rehabilitate patients (aged 18 or over) who have experienced a stroke or neurological conditions for example Parkinson's disease, Multiple Sclerosis and Brain Injury. The services are provided within community settings or the person's home.

MLCO Community Registered General Nurse and Advanced Clinical Practitioner Trainee Suzann Harrison has been awarded the honour of Queen's Nurse. Suzann, Advanced Clinical Practitioner trainee in South Manchester Crisis Response Team, was recognised by the charity The Queen's Nursing Institute (QNI) for her commitment to high standards of patient care, nursing practices and leadership.

2.5 Investing in our hospitals, technology and infrastructure

Acquisition of North Manchester General Hospital
On 1st April 2021, the Trust acquired the North Manchester General Hospital (NMGH) site, services and staff through a commercial transaction. This hospital had formerly been part of the Pennine Acute Hospitals NHS Trust (PAHT), and the acquisition was part of a long-term strategy, overseen by NHS Improvement. In October 2021, the remaining PAHT hospital sites and services were acquired by Salford Royal NHS FT (now operating as the Northern Care Alliance – NCA) through a statutory transaction, and PAHT was formally dissolved.

The acquisition of NMGH was a large and complicated task, and the successful conclusion of this work provides the basis for ongoing integration and development to enhance the care provided to people in North Manchester and surrounding areas. NMGH is now fully integrated into the operation of the Trust, with a dedicated leadership team that participates in all of the Trust's core management processes. A number of the Trust's managed clinical services reach out to NMGH – for example, the children's services are led by RMCH, women's services come under the leadership of Saint Mary's Hospital, and Clinical and Scientific Support also operates a number of key functions.

It was not possible to separate out all of the former-PAHT service at the point of acquisition, so some key functions continue to be provided collaboratively across the North East sector. This includes joint working arrangements for clinical services like Cardiology and Orthopaedics, and support service arrangements in areas, such as Pathology and Pharmacy. MFT and the NCA put in place joint governance structures to maintain collaborative working after the completion of the transactions, and through these mechanisms the two Trusts are continuing to work together on a programme of service disaggregation.

This is expected to continue through 2022/23 until all services have restructured to sit within the respective organisational footprints. This 'disaggregation' work will be accompanied by the progressive development of MFT single services that reach across the Manchester patch, and ensure that the same high standard of care can be provided in all parts of the Trust.

North Manchester General Hospital (NMGH) Redevelopment
The North Manchester Strategy seeks to achieve civic regeneration through investment and innovation in healthcare and housing and, in doing so, improve outcomes for people in one of the most socio-economically disadvantaged parts of the country. The North Manchester Strategy brings together three major capital developments in North Manchester: the re-provision of the Park House mental health inpatient unit; the redevelopment of the NMGH site; and the residential-led Victoria North development.

This will enable partners to maximise the social value of what will be the biggest combined investment ever made in North Manchester – in the region of £4.5 billion over the next two decades. The benefits of this will be felt locally and in surrounding areas in the north of Greater Manchester.

The masterplan for the comprehensive redevelopment of the NMGH site was endorsed by Manchester City Council in March 2021. The plan showcases proposals to create integrated health and social care facilities, including a new build and refurbished hospital, new mental health inpatient unit and Health and Wellbeing Hub, alongside high quality new homes, access to better education and training and inviting public spaces that support wellbeing. This civic campus will provide a focal point for the community.

Outline business cases, relating to the site redevelopment and associated digital investment, were submitted to the government's New Hospital Programme Team in January 2021, and the Trust are working closely with the national team to secure the investment needed.

Around £70 million of early enabling funding has already been secured to commence the redevelopment, including the construction of North Manchester House offices, the demolition of the former trust headquarters and Limbert House, and the construction of the Multi-Storey Car Park and Cycle Hub. Work started on site in 2021 and will continue throughout 2022/23.

Maximising local benefit is a major theme embedded in the redevelopment plans. The Trust has worked with 8 local schools, local colleges and Manchester Metropolitan University. More than 430 students have been engaged so far, through a series of curriculum, employability, and tailored activities, including the NMGH local schools art competition, which attracted over 600 entries.

The next major project within our social value strategy will be the creation of the NMGH Knowledge Quad in 2022 with construction partner Morgan Sindall. The Knowledge Quad will be located close to the multi-storey car park and cycle hub construction site and will provide quality space for a range of engagement, education and training programmes. The Quad will primarily aim to engage with local people, working with local charities and voluntary sector groups to ensure that the right levels of support are provided throughout to promote careers within the NHS, construction and other related sectors.

Find out more about the exciting vision for the NMGH transformation programme at https://mft.nhs.uk/transforming-the-future-at-north-manchester-general-hospital/

Wythenshawe Masterplan

The Strategic Regeneration Framework (SRF) for the Trust's Wythenshawe site was endorsed by the Manchester City Council's Executive Committee on 17 March 2020. The SRF envisages transforming the Wythenshawe Hospital Campus and its environs into a sustainable health village over a 10 to 15-year period, enhancing the Hospital whilst introducing complementary commercial, housing, leisure and retail uses within a high quality, greener space.

The SRF also addresses the opportunities to deliver a range of economic, social and environmental benefits for residents and across Greater Manchester, alongside placing net zero carbon ambitions for the campus at the heart of the strategy.

The Trust submitted an Expression of Interest for delivery funding for the Wythenshawe masterplan to the New Hospital Programme and awaits the first stage outcome. Within the submission, the Trust highlighted the potential of the site to attract significant complementary economic activity, such as research, innovation and development, and ways this could be harnessed to support the implementation of the masterplan and subsequently reduce the requirement for public sector investment.

Follow the progress of the Wythenshawe redevelopment at https://mft.nhs.uk/future-wythenshawe-hospital/

Delivering the Single Hospital Service vision

The proposal for a Single Hospital Service (SHS) for the city of Manchester was originally developed through an independent review in 2016. This identified the potential to achieve a wide range of benefits by bringing together clinical and non-clinical services into extended teams.

The first stage of this programme was delivered though the merger of Central Manchester University NHS Foundation Trust and University Hospitals of South Manchester NHS Foundation Trust to create MFT in 2017. The strategy always envisaged the subsequent incorporation of North Manchester General Hospital (NMGH) into MFT.

On 1st April 2020, MFT took responsibility for NMGH under the terms of a management agreement with the Board of Pennine Acute Hospitals NHS Trust (PAHT – its parent organisation), and the hospital has operated effectively as part of MFT throughout 2020/21.

Managing NMGH has allowed MFT to become familiar with the hospital site and the way services are delivered. In addition, the management agreement has enabled a new MFT leadership team to become embedded on the NMGH site, and the development of productive and supportive working relationships between NMGH staff and teams across MFT's existing services. These factors supported the delivery of effective care at NMGH throughout the COVID-19 pandemic and have also underpinned preparations for a seamless transition to NMGH formally becoming part of MFT on 1st April 2021.

Throughout 2020/21, MFT has worked collaboratively with partner organisations on the separation of clinical and corporate services within PAHT, the agreement of sustainable financial arrangements and the appropriate sharing of risks. Risk has been mitigated through the revision and refresh of due diligence assessments and by using the period of the management contract to increase organisational understanding of the NMGH site and services.

A Transaction Business case was developed during autumn 2020, and this was approved by the MFT Board of Directors on 14th December 2020. Post Transaction Integration Plans have been developed, outlining the arrangements for delivering a safe and successful transaction and effectively integrating services.

The NMGH acquisition process has also provided an opportunity for stakeholders in Manchester to come together and generate plans for the redevelopment of the NMGH site. This involves rebuilding the acute hospital facilities alongside delivering a wider, healthcare-led approach to the regeneration of North Manchester. (Find out more about the plans to transform the NMGH site below).

It is clear that NMGH joining MFT has the potential to deliver significant benefits for patients and staff, alongside wider strategic opportunities for North Manchester.

The transaction and site redevelopment offer a positive future for NMGH as a busy and vibrant general hospital providing excellent care to the local community and acting as an anchor institution for economic regeneration and community development.

Hive EPR: our digital solution for improving care

Our vision for Hive, our future Electronic Patient Record (EPR) programme, is to transform the quality of care and experience for our patients and staff by having the right information in the right place at the right time; first time, every time.

Hive is a major clinical transformation programme that is being built by MFT staff, who have been trained and are being supported by our software partner, Epic. This EPR solution will provide a new 'operating system' for MFT that will replace current IT systems and a number of smaller specialty systems.

Hive
Powered by Epic

It will also connect to our community systems and enable GPs to view test results and other patient information online.

The implementation of Hive is key to delivering our strategic vision and supports our aim to be a world-class academic and teaching organisation. It also underpins our Digital Strategy and how we continue to respond to the current challenges faced by the pandemic.

Hive will:

- Enable Hospitals/Managed Clinical Services (MCS) and Local Care Organisations (LCO) to change and improve how they deliver services and support better clinical decision-making
- Allow staff to work more efficiently by accessing the information they need to care for patients, wherever and whenever they need it, and promoting the introduction of more digitally-enabled interaction with patients and service users
- Improve the patient experience by giving patients more control over their own care through a patient portal and phone app, reducing the need for people to provide different members of staff with the same information
- Increase patient safety by holding one record for each patient, and providing alerts for potential medication errors, allergies and infection risks
- Create a single, hospital-wide clinical record that will make sure the correct information is available for every patient in the same place, first time, every time

During 2021/22, a robust governance process has been set up with the Hive Programme Board, which is responsible for overseeing implementation and providing assurance to the EPR Scrutiny Committee.

Given the nature of the programme, external assurance is also in place with a number of Gateway Reviews scheduled during the run up to the go-live date.

Three design authorities have been set up and report into the Hive Operational Steering Group. They make the important decisions about how Hive's EPR system will work for MFT. They monitor progress and decisions that have come out of the 100 Rapid Decision Groups (RDGs) that have been established this year.

The RDGs are made up of clinicians and operational staff from across MFT. Their role is to make fast-paced decisions to shape workflows within the Epic system. This has helped make sure the Hive system has been designed and built with clinical input.

During the year, we have started detailed testing. During 2022, this testing will be widened to include frontline staff as part of our end user testing approach.

We have also worked hard to identify the equipment required for all areas, and on the approach for migrating data from our current systems into Hive ready for go-live.

To help hospitals/MCS and LCOs prepare for Hive, an Operational Readiness Authority has been set up with individual hospital/MCS/ LCO Operational Readiness Boards.

Through this, our hospitals and community services have identified more than 2,000 super users, who start their induction process in March. They will have a key role in supporting all staff at go-live.

At the end of March, we also launched our training registration process, with all of our staff being required to register for their training, which starts in early June. This has included procuring a new learning management system, which is aimed at providing a seamless approach for training registration.

The Transformation Team has also played a key role within the Hive programme by identifying the pathways that will change as a result of Hive. Transformation colleagues have worked with staff during a series of roadshows aimed at highlighting how Hive will improve and change the way we all work.

As we look forwards into 2022, detailed planning in readiness for go live in September will continue, as well as full testing of the system and training for all staff.

£40 million A&E transformation project

Ambitious plans to transform the Emergency Department (ED) at Manchester Royal Infirmary (MRI) were approved by Manchester City Council in March 2021.

The redevelopment will see the facilities modernised to best meet the changing needs of the local population of Manchester.
This includes increased capacity and a more streamlined layout, to ensure patients continue to receive high quality emergency treatment and care in an improved environment.

The £40 million renovation project will boost the capabilities of MRI, which is a Major Trauma Centre for Greater Manchester and part of Manchester University NHS Foundation Trust (MFT). Upgraded facilities will include an expanded and improved Emergency Department with ten (up from six) resuscitation bays, 27 (up from 16) majors cubicles, and 29 (up from 20) cubicles for minor cases.

Plans also include the creation of six new operating theatres, which will support the hospital's developing role as a regional centre for specialist surgery.

Construction started in April 2022. Temporary changes to the department's access and layout were introduced to make sure it can continue to fully operate throughout the works. The project is expected to take just over three years to complete.

Royal opening for new helipad

The new life-saving helipad at MFT – the first elevated helipad of its kind in the North West – was officially opened by Her Royal Highness, The Princess Royal, on 2nd March 2022.

The state-of-the-art helicopter landing pad, which is located on the roof of Grafton Street car park on Oxford Road, is used to airlift critically-ill patients straight to the Trust's hospitals in Manchester city centre. It has already been used by the Air Ambulance more than 70 times since opening in May 2021, and it is anticipated it could airlift as many as 300 patients a year to hospital.

Funding for the helipad was raised by MFT Charity's Time Save Lives Appeal, which raised a phenomenal £3.9 million within the space of just 12 months.
This included a generous £1.3 million donation from the County Air Ambulance Trust's HELP (Helicopter Emergency Landing Pads) Appeal and £1.1 million from the government's LIBOR fines funds in the Chancellor's Budget. The HELP Appeal is dedicated to funding hospital and air ambulance helipads across the country.

MRI is a Major Trauma Centre for Greater Manchester, and Royal Manchester Children's Hospital (RMCH) is the Major Trauma Centre for the entire Greater Manchester region. It is one of only two dedicated Children's Major Trauma Centres in the whole of the North West, providing care for seriously ill or injured children. Saint Mary's Hospital provides specialist and emergency care for women and babies and has a 24-hour High Dependency Obstetrics Unit. It also has one of the largest neonatal intensive care units, offering surgical and medical care for new born babies, co-located with RMCH.

2.5 Shaping our strategy and priorities for the future

The MFT vision describes where the organisation is going and what it will look like when it gets there. It is made up of two elements, a vision statement and a series of strategic aims. The strategic aims set the framework for the development of our annual plans each year. During 2021/22 we updated our strategic aims to reflect changes to the operating environment and internal developments.

The main changes have been to remove the aim to achieve a Single Hospital Service for Manchester as this has now been delivered, to strengthen the patient safety and workforce aims to reflect their importance and to add a new aim around working in partnership and tackling health inequalities and wider social value issues.

The revised strategic aims are set out below:

- To focus relentlessly on improving access, safety, clinical quality and outcomes
- To improve continuously the experience of patients, carers and their families
- To make MFT a great place to work, where we value and listen to our staff so that we attract and retain the best
- To implement our People Plan, supporting our staff to be the best that they can be, developing their skills and building a workforce fit for the future
- To use our scale and scope to develop excellent integrated services and leading specialist services
- To develop our research and innovation activities to deliver cutting edge care that reflects the needs of the populations we serve
- To achieve and maintain financial sustainability
- To work with partners and play our part in addressing inequalities, creating social value and advancing the wider green agenda

MFT Clinical Service Strategy

The Trust Clinical Service Strategy was developed in 2018, following the creation of MFT. The strategy comprises an overarching Group Service Strategy and a series of individual Clinical Service Strategies. The Group Service Strategy sets out, at a high level, our vision for how services should develop over the next five years. The graphic below shows the five pillars and describes for each what we want to achieve and how we plan to get there.

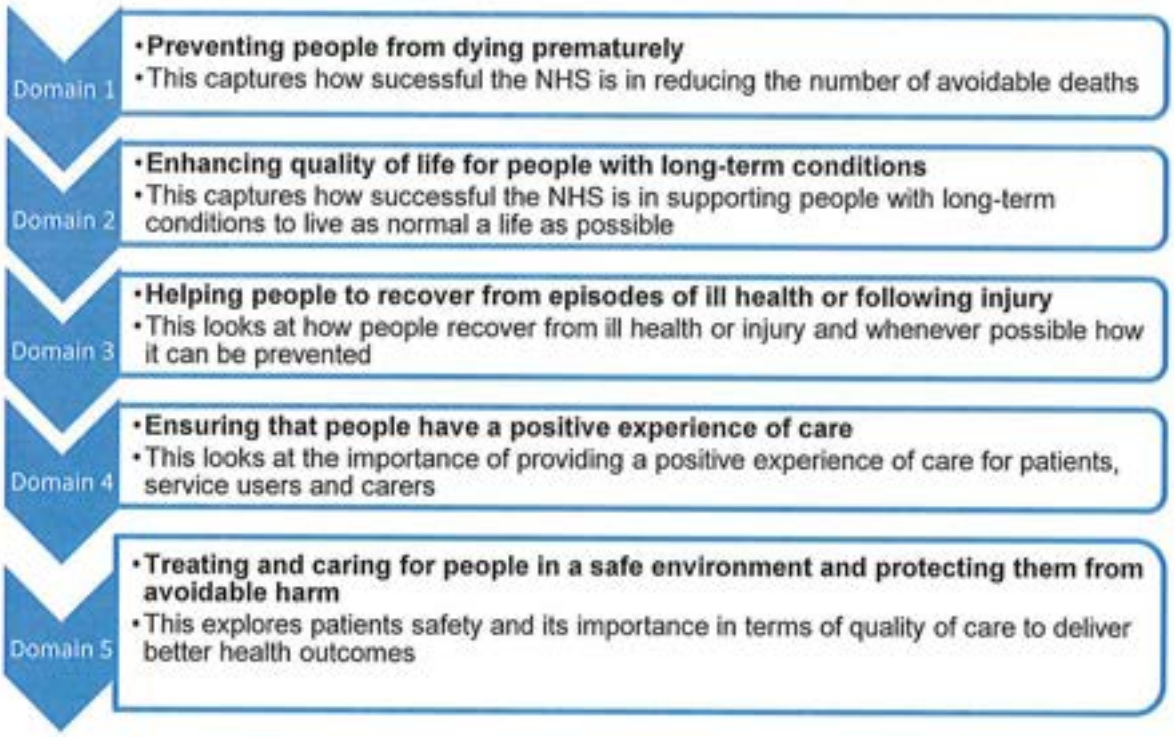
The Group Service Strategy served as the over-arching framework for creating a series of individual Clinical Service Strategies. These describe in more detail the development path for individual services over the next five years.

During 2022/23 we intend to review and update these strategies to reflect recent changes to the operating environment, in particular the impact of COVID-19 and the move to working as part of an Integrated Care System.

Overview of 2022/23 quality priorities

We are proud of our long-standing commitment to patient safety and continue to focus on improving the quality of care that we provide. We know that embedding our values enables our staff to demonstrate key behaviours that lead to safer care: listening to patients and colleagues, responding proactively where there are concerns, and being caring and supportive when things do go wrong. We will continue to focus on these principles to achieve the best care for our patients and families.

Each year we are required to define a number of quality priorities which are aligned to the NHS Outcomes Framework. This is a set of indicators designed to improve standards of care and reduce health inequalities. They are grouped under five key areas:



The Trust's Quality priorities for 2022/23 are as follows:

- To understand and reduce unwarranted variation in outcome, experience and safety across the organisation for similar services, including those patients waiting for a service (the optimal implementation of HIVE will be a key enabler for this priority)
- To Implement the National Patient Safety Strategy in full to optimise patient safety learning through the delivery of the Trust's Patient Safety Profile and Plan aligned to the Trust-Wide Quality and Safety Strategy and the delivery of HIVE
- To deliver an effective IPC Strategy to support recovery from COVID-19 and continued focus on prevention and control of other healthcare acquired infections
- To deliver excellence in patient experience through the MFT quality and patient experience programme and the implementation of the National Patient and Public Involvement in Patient Safety Framework

These were discussed and agreed with the Trust's Governors at a session on 15th March 2022.

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

3. Accountability Report

3.1 Directors' Report

The MFT Board of Directors comprises Executive and Non-Executive Directors, who have joint responsibility for every decision of the Board, regardless of their individual skills or roles. The Board is collectively responsible for discharging the powers and for the performance of the Trust.

The Executive Directors were appointed because of their business focus and operational/management experience within and outside the health and care sector. Their skills are complemented by the business, finance, education and other experience provided by the Non-Executive Directors, who also have strong links with the local community. All Directors are subject to an annual review of their performance and contribution to the management and leadership of the Trust.

MFT regularly reviews the skills and expertise of the Board and considers there to be a balance of appropriate skills amongst the Board members, ensuring balance, completeness and appropriateness to the requirements of the Trust.

The Board of Directors is responsible for preparing the Trust's annual report and accounts. We believe that the report and accounts is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess MFT's performance, business model and strategy.

In preparing this report, the Directors have ensured that so far as we are each aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all steps necessary to make sure we are aware of any relevant audit information and to establish that the auditors are aware of that information.

Each Director has also:

- Made such enquiries of his/her fellow Directors and of the Trust's auditors for that purpose and
- Taken any steps required by his/her duty as a Director of the Trust to exercise reasonable care, skill and diligence.

The Board of Directors is responsible for determining the Trust's:

- Strategy, business plans and budget.
- Policies, accountability, audit and monitoring arrangements.
- Regulation and control arrangements.
- Senior appointment and dismissal arrangements.

The Board is also responsible for approving the Trust's annual report and accounts and ensuring that MFT acts in accordance with the requirements of its Foundation Trust license.

Board of Directors' Profiles

Non-Executive Directors John Amaechi and Ivan Benett retired on 19th December 2021. Following an extensive selection process, Angela Adimora and Gaurav Batra were appointed to the Board as Non-Executive Directors on 20th December 2021.

Kathy Cowell OBE DL, Group Chairman
Kathy was Chairman at CMFT from November 2016 until the merger in 2017, having previously been a CMFT Non-Executive Director from March 2013 and Senior Independent Director since March 2016.
Read more at: https://mft.nhs.uk/people/kathy-cowell-obe-dl/

Barry Clare, Group Deputy Chairman
Barry was previously Chairman of UHSM and is a pioneering healthcare business leader with extensive experience in the healthcare industry sector.
Read more at: https://mft.nhs.uk/people/barry-clare/

Sir Michael Deegan CBE, Group Chief Executive
Mike was previously Chief Executive at CMFT, having also held the post of Chief Executive at Warrington Hospital and then North Cheshire Hospitals NHS Trust.
Read more at: https://mft.nhs.uk/people/sir-michael-deegan-cbe/

Gill Heaton OBE, Group Deputy Chief Executive
Gill was previously Deputy Chief Executive at CMFT. She has worked as a senior nurse in various clinical areas, such as intensive care and medical wards and has held senior management posts in large acute Trusts.
Read more at: https://mft.nhs.uk/people/gill-heaton-obe/

Darren Banks, Group Director of Strategy
Darren became Director of Strategy at CMFT in April 2006 and has led a number of major organisation-wide initiatives, including the successful Foundation Trust application in 2009 and the acquisition of Trafford Healthcare Trust in 2012.
Read more at: https://mft.nhs.uk/people/darren-banks/

Peter Blythin, Group Executive Director of Workforce and Corporate Business
Peter joined CMFT in 2016 to manage the merger that formed MFT, and was appointed to the MFT Board in April 2019. After working as a nurse in clinical practice, he held Executive Director roles for over 20 years in a variety of leadership positions. He has previously held a national position as the Director of Nursing

for the Trust Development Authority and worked at the Department of Health.
Read more at: https://mft.nhs.uk/people/peter-blythin/

Julia Bridgewater MBE, Group Chief Operating Officer
Julia joined CMFT in September 2013 as Chief Operating Officer, from Shropshire Community Trust. She had previously served as Chief Executive at the University Hospital of North Staffordshire NHS Trust from 2007 to 2012.
Read more at: https://mft.nhs.uk/people/julia-bridgewater/

Professor Jane Eddleston, Group Joint Medical Director
Jane is a Consultant in Intensive Care Medicine and Anaesthesia in Manchester Royal Infirmary. She has extensive Clinical and Managerial experience in Critical Care and Acute Care and is the Chair of the Clinical Reference Group for Adult Critical Care.
Read more at: https://mft.nhs.uk/people/dr-jane-eddleston/
https://mft.nhs.uk/people/professor-bob-pearson/

Jenny Ehrhardt, Group Chief Finance Officer
Jenny joined the NHS in 2000 on the Graduate Management Training Scheme and has worked across many different organisations since then, mainly in Acute Trusts. She was appointed Group Chief Finance Officer for Manchester University Foundation Trust in May 2020, following an eight-month period as Deputy Chief Finance Officer.
Read more at: https://mft.nhs.uk/people/jenny-ehrhardt/

David Furnival
David was Deputy Chief Operating officer, and Group Director of Estates and Facilities, at MFT prior to acting up to the role of Group Director of Operations from September 2021 when Julia Bridgewater took on the role of Senior Responsible Officer for the Hive Electronic Patient Record programme. David attends every Board meeting as a non-voting member.

Professor Cheryl Lenney, Group Chief Nurse
Cheryl is the professional lead and is accountable for Nursing and Midwifery on the Board of Directors. She has over 35 years' experience as a nurse and a midwife, and has worked for MFT and its predecessor organisations since 2002.
Read more at: https://mft.nhs.uk/people/professor-cheryl-lenney/

Miss Toli Onon, Group Joint Medical Director
After training in obstetrics and gynaecology and cancer immunology, Toli became a consultant at UHSM in 2003. She was appointed as UHSM Medical Director in November 2016.
Read more at: https://mft.nhs.uk/people/miss-toli-onon/

Angela Adimora, Group Non-Executive Director (from 20th December 2021)
Angela has varied Change, Transformation, Strategy and HR experience gained from across different industries. She is currently the Senior HR Operations Director at GXO and leads both BAU and multi-million pound transformation and technical change programmes.
Read more at: https://mft.nhs.uk/people/angela-adimora/

John Amaechi OBE, Group Non-Executive Director (to 17th December 2021)
John is a psychologist, organisational consultant and high-performance executive coach. He is a New York Times best-selling author and a former NBA basketball player.

Professor Dame Sue Bailey OBE DBE, Group Non-Executive Director
After studying medicine and psychiatry at the University of Manchester, Sue worked as a Child and Adolescent psychiatrist for over thirty years. Her national health policy and research work has focused on how to improve health care delivery through education and training of practitioners. Read more at:
https://mft.nhs.uk/people/professor-dame-sue-bailey-obe-dbe/

Gaurav Batra, Group Non-Executive Director (from 20th December 2021)
Gaurav has nearly 30 years of broad commercial experience, gained across a variety of industries, including consumer and business services internationally. Since 2018, Gaurav has been building a portfolio of roles in organisations with long term vision and making a meaningful contribution to society.
Read more at: https://mft.nhs.uk/people/gaurav-batra/

Dr Ivan Benett, Group Non-Executive Director (to 17th Decmber2021)
Ivan has worked as a GP in Central and South Manchester for 30 years and has also worked at Royal Manchester Children's Hospital. He trained in Manchester and was a junior doctor at Saint Mary's Hospital and the Manchester Royal Infirmary.

Professor Luke Georghiou, Group Non-Executive Director
Luke is the University of Manchester's Deputy President and Deputy Vice-Chancellor. Prior to this he was Vice President for Research and Innovation, helping the University to drive forward its research, business engagement and commercialisation agendas.
Read more at: https://mft.nhs.uk/people/professor-luke-georghiou/

Nic Gower, Group Non-Executive Director
The majority of Nic's professional career as a Chartered Accountant was spent as a partner in PricewaterhouseCoopers LLP specialising in audit and assurance. Alongside providing professional services to his clients, he undertook leadership roles in quality, risk management and change management.
Read more at: https://mft.nhs.uk/people/nic-gower/

Christine McLoughlin, Group Non-Executive Director/Senior Independent Director
Chris was a staff nurse at Manchester Royal Infirmary in the 1980s, subsequently becoming a social worker based in a community team in central Manchester. She went on to hold key senior leadership positions with Manchester City Council and Stockport Metropolitan Borough Council.
Read more at: https://mft.nhs.uk/people/christine-mcloughlin/

Trevor Rees, Group Non-Executive Director
Trevor is a Chartered Accountant with over 20 years' experience of working with the NHS and other publicly funded/not for profit organisations, providing financial audit and advisory services. He has worked with both Provider and Commissioner organisations in the NHS.
Read more at: https://mft.nhs.uk/people/trevor-rees/

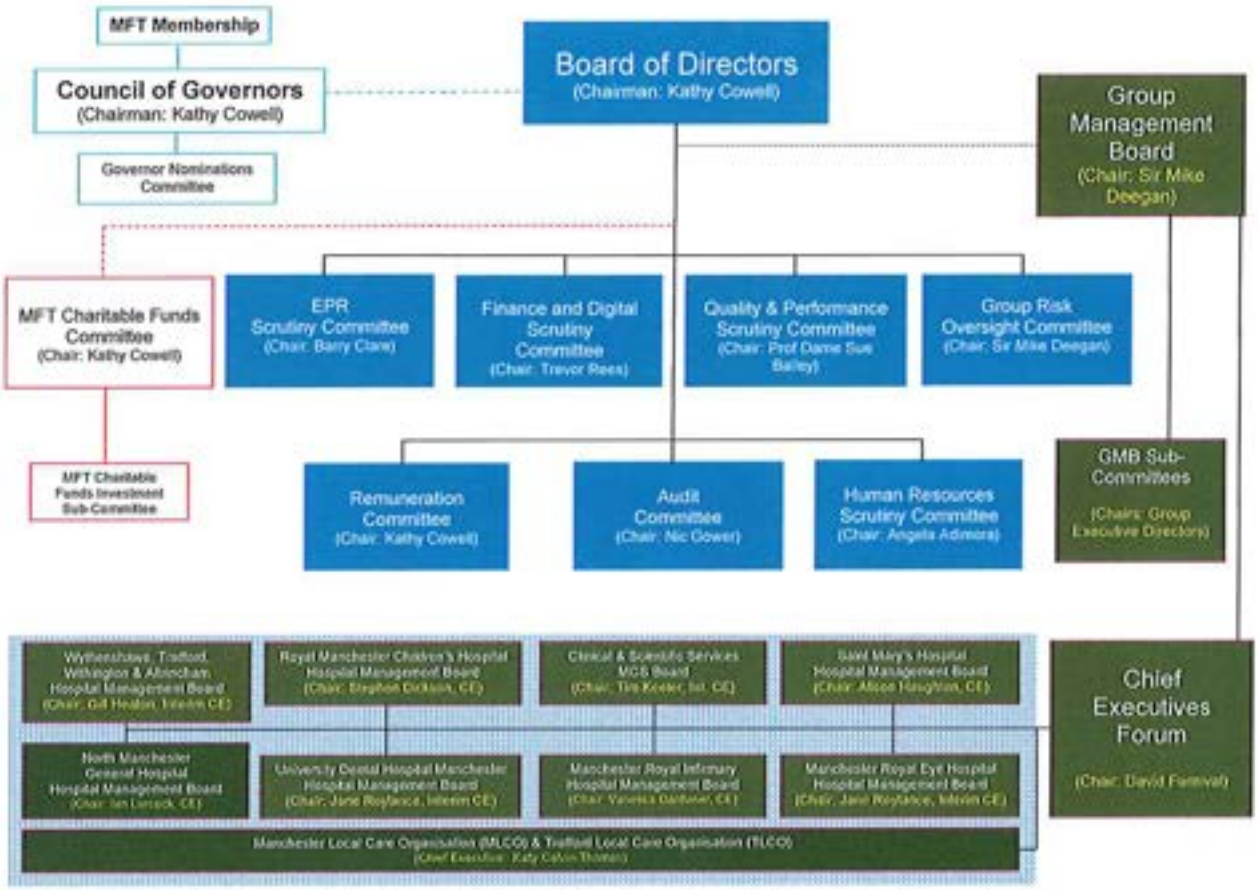
Board meeting attendance 2021/22

	May 21	July 21	Sep 21	Nov 21	Jan 22	March 22
Angela Adimora Group Non-Executive Director					✓	✓
John Amaechi Group Non-Executive Director	✓	✓	✓	X		
Professor Dame Sue Bailey Group Non-Executive Director	✓	✓	✓	✓	✓	✓
Darren Banks Group Director of Strategy	✓	✓	✓	✓	✓	X
Gaurav Batra Group Non-Executive Director					✓	✓

	May 21	July 21	Sep 21	Nov 21	Jan 22	March 22
Dr Ivan Benett Group Non-Executive Director	✓	✓	✓	✓		
Peter Blythin Group Executive Director of Workforce and Corporate Business	✓	✓	✓	✓	✓	✓
Julia Bridgewater Group Chief Operating Officer	✓	✓	✓	✓	✓	✓
Barry Clare Group Deputy Chairman	✓	✓	✓	X	✓	✓
Kathy Cowell Group Chairman	✓	✓	✓	✓	✓	✓
Sir Michael Deegan Group Chief Executive	✓	✓	✓	✓	✓	✓
Professor Jane Eddleston Joint Group Medical Director	✓	✓	✓	✓	X	✓
Jenny Ehrhardt Group Chief Finance Officer	✓	✓	✓	✓	✓	✓
David Furnival * Group Director of Operations				✓	✓	✓
Professor Luke Georghiou Group Non-Executive Director	✓	✓	✓	✓	✓	✓
Nicholas Gower Group Non-Executive Director	✓	✓	✓	✓	✓	✓
Gill Heaton Group Deputy Chief Executive	✓	✓	✓	✓	✓	✓
Professor Cheryl Lenney Group Chief Nurse	✓	✓	X	X	✓	✓
Chris McLoughlin Group Non-Executive Director/Senior Independent Director	✓	✓	✓	✓	✓	✓
Miss Toli Onon Joint Group Medical Director	X	X	✓	✓	✓	✓
Trevor Rees Group Non-Executive Director	✓	✓	✓	✓	✓	✓

✓ attended the meeting, X did not attend the meeting, not applicable

Board sub-committees



Audit Committee

The Audit Committee is made up of Group Non-Executive Directors and is chaired by Nic Gower. The Trust's external auditor, internal auditor, anti-fraud specialist and Trust officials attend Committee meetings. The Group Chairman of the Trust is not a member, but attends selected meetings by invitation from the Chair of the Committee.

It has primary responsibility for monitoring the integrity of the financial statements, assisting the Group Board of Directors in its oversight of risk management and the effectiveness of internal control, oversight of compliance with corporate governance standards and matters relating to external and internal audit.

The Committee provides the Board of Directors with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across MFT. The Committee receives regular reports and updates from both the internal and external auditors to assist in assessing the extent to which robust and effective internal control arrangements are in place and regularly monitored.

The system of internal control is designed to identify and understand risk to which the Trust is exposed and to manage such risk to reasonable level - the Board recognises that no system of internal control can eliminate all risks that the Trust is or may become exposed to.

The Committee's terms of reference are available from the Director of Corporate Business & Trust Board Secretary.

The Audit Committee work programme was reviewed in light of the Trust's response to the operational demands and priorities involved in managing COVID-19. All internal and external audit work has been conducted remotely since Spring 2020. As a result, some planned internal audit work that required audit procedures to be performed on site has been deferred. All committee meetings have also been held by remote video conference calls since April 2020.

During 2021/22, the Committee reviewed the following areas:

- Board Assurance Framework
- Conduct and Governance of meetings
- CQC follow up – NMGH
- Conflicts of Interest
- Data quality
- DSP toolkit
- NMGH baseline review
- Medicines management
- Learning from patient harm
- Infection control
- Falls: Prevention, Assessment and Management processes
- NMGH: Post-transaction implementation plan
- Ofsted apprenticeships follow-up
- Recovery planning: 21/22 elective recovery guidance compliance
- Backlog maintenance
- Finance/workforce process automation: process governance
- EPR programme: financial monitoring and budgeting
- LCO EMIS system review
- SIRO responsibility mapping
- CSS additional sessions
- Safeguarding
- Staff appraisals
- Outpatients recovery: advice and guidance roll out.

Significant and key risks were considered in tandem with presentation of the external audit plan, the audit completion report, and discussions with the external auditor.

Audit Committee attendance 2021/22

	June 21	Sep 21	Nov 21	Feb 22
Angela Adimora Group Non-Executive Director				x
John Amaechi Group Non-Executive Director	x	x	x	x
Professor Dame Sue Bailey Group Non-Executive Director	x	✓	✓	✓
Gaurav Batra Group Non-Executive Director				x
Dr Ivan Benett Group Non-Executive Director	✓	✓	✓	x
Barry Clare Group Deputy Chairman	x	x	✓	✓
Kathy Cowell Group Chairman				✓
Jenny Ehrhardt Group Chief Finance Officer	✓	✓	✓	✓
Professor Luke Georghiou Group Non-Executive Director	✓	x	✓	✓
Nicholas Gower Group Non-Executive Director	✓	✓	✓	✓
Chris McLoughlin Group Non-Executive Director/Senior Independent Director	x	✓	x	✓
Trevor Rees Group Non-Executive Director	✓	x	x	✓

✓ attended the meeting, X did not attend the meeting, not applicable

Financial statements

The Audit Committee reviewed the financial statements for 2021/22 at its meeting on 14 June 2022. There were no significant issues for the Audit Committee to consider.

External auditor

Mazars are MFT's external auditors and their current term of two years is due to expire on 13th November 2022. The audit fee for the 2021/22 audit of the MFT Group is £94,000+VAT. Mazars did not perform any non-audit services in 2020/21.

Internal audit and anti-fraud services.

The Trust outsources internal audit and anti-fraud work. KPMG were appointed to provide internal audit and MiAA to provide anti-fraud services for two years, with effect from 1st April 2018, with an option for a further two-year extension that has been implemented. A tender process for both services post April 2022 took place in early 2022.

The result of the tender process was that KPMG were appointed a new three-year contract for Internal Audit, and Grant Thornton were appointed to replace MiAA as anti-fraud provider, also on a three-year contract. Both contracts commenced on 1st April 2022.

The internal auditors are responsible for undertaking the internal audit functions on behalf of the Trust. The Head of Internal Audit reports to each meeting of the Audit Committee on the audit activity undertaken. The Committee reviews and approves the Internal Audit Strategy and Plan and monitors progress including rigorous follow-up of recommendations. Additional information about internal audit is set out in the Annual Governance Statement (on pages 157 to 182).

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

3.2 Remuneration Report

Annual statement on remuneration by the Chairman
The Trust has a Remuneration Committee that advises the Board on appropriate remuneration and terms of service for the Group Chief Executive and Group Executive Directors. This Remuneration Report describes how the Trust applies the principles of good corporate governance through this Committee in relation to Directors' remuneration, as required by the Companies Act 2006, Regulation 11 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 and elements of the NHS Foundation Trust Code of Governance.

Remuneration Committee of the MFT Board of Directors
The MFT Remuneration Committee is a sub-committee of the MFT Board of Directors. The Committee is chaired by the Group Chairman, Mrs Kathy Cowell OBE DL.

The Committee's main purpose is to set rates of remuneration, terms and conditions of service for any staff on locally-determined conditions of service including: the Group Chief Executive, Group Executive Directors, Hospital/MCS Chief Executives and Directors, i.e. those people in senior positions having authority or responsibility for directing or controlling the major activities of the Trust.

The Group Chief Executive and the Group Executive Director of Workforce & Corporate Business are also in attendance, when required, to provide information on Directors' performance and a review of general pay and reward intelligence including comparative data on Directors' salaries and NHS guidance on pay and terms and conditions, as requested. Individuals do not participate in any discussion relating to their own remuneration.

For clarity, the components of remuneration are:

- **Base salary** - individual base salaries are reviewed annually. For Group Executive Directors, account is taken of the Department of Health and Social Care guidance on Very Senior Managers' Pay
- **Pensions** - some, but not all, Group Executive Directors participate in the NHS Superannuation Scheme

The Committee has clear terms of reference that are regularly reviewed (most recently in January 2021). Membership includes:

- The Group Chairman of the Trust's Board of Directors
- All Group Non-Executive Directors

During 2021/22, the Committee held three meetings:

Remuneration Committee – 14 June 2021

Present (NEDs)	John Amaechi, Sue Bailey, Ivan Benett, Barry Clare, Kathy Cowell (Chair), Nic Gower, Chris McLoughlin, Trevor Rees
Apologies	None
In attendance	Peter Blythin, Mike Deegan (for 1 item), Toli Onon (for 1 item), Alwyn Hughes

Agenda items:

- Receiving a report from the Group Chairman on the performance of the Group Chief Executive
- Receiving a report from the Group Chief Executive on the performance of Group Executive Directors
- Receiving a report from the Joint Group Medical Director on MFT's Local Clinical Excellence Awards

The Remuneration Committee was asked to note the Chairman's determination that the Group Chief Executive had once again made an excellent contribution throughout the year, delivering exceptional performance against all individual objectives.

As part of the Group Chief Executive's year-end review meeting with the Group Chairman, the Remuneration Committee was advised that each Group Executive Director's performance and ongoing contribution to the Trust was discussed in detail. Particular attention was drawn to the exemplary performance of each of the Group Executive Directors.

Remuneration Committee – 22nd November 2021

Present (NEDs)	Sue Bailey, Barry Clare, Kathy Cowell (Chair), Nic Gower, Chris McLoughlin, Trevor Rees, Luke Georghiou
Apologies	
In attendance	Mr Peter Blythin, Mr Mike Deegan (for 1 item), Mr Nick Gomm

Agenda items:

- Receiving a mid-year report from the Group Chairman on the performance of the Group Chief Executive
- Receiving a mid-year report from the Group Chief Executive on the performance of Group Executive Directors
- Receiving reports from the Executive Director of Workforce & Corporate Business on:
    - Adjustment to salaries, resulting from the temporary move of the Chief Operating Officer to lead the HIVE programme

    - Ratifying the salaries of the Director of Strategy and the Director of Nursing for the Local Care Organisation
    - Ratifying the salary of the Director of Human Resources at Royal Manchester Children's Hospital
    - Ratifying the salary of the Chief Executive of Clinical and Scientific Services
    - Ratifying the salary of the Group Director of Strategic Projects (Estates)
- The Annual Review of the Remuneration Committee Terms of Reference

The Remuneration Committee was asked to note the Chairman's determination that the Group Chief Executive had once again made an excellent contribution throughout the first six months of the year and, under his leadership, the Group is on track to deliver its plans for the year.

As part of the Group Chief Executive's year-end review meeting with the Group Chairman, the Remuneration Committee was advised that each Group Executive Director has contributed excellently and their ongoing contribution to the Trust was discussed in detail. Particular attention was drawn to the exemplary performance of each of the Group Executive Directors during extremely challenging times.

Discussion and decisions were also made regarding the salaries of the Chief Operating Officer, the Director of Strategy for the Local Care Organisation, the Director of Nursing for the Local Care Organisation, the Director of Human Resources at Royal Manchester Children's Hospital, the Chief Executive of Clinical and Scientific Services, and the Group Director of Strategic Projects (Estates).

The Terms of Reference for the Remuneration Committee were reviewed and approved for ratification at the Board of Directors.

Remuneration Committee – 10th January 2022

Present (NEDs)	Angela Adimora, Sue Bailey, Gaurav Batra, Barry Clare, Kathy Cowell (Chair), Luke Georghiou, Nic Gower, Chris McLoughlin, Trevor Rees
Apologies	
In attendance	Peter Blythin, Nick Gomm

Agenda items:

- Aligning the salary of the Director of Workforce and OD for Clinical and Scientific Services
- Annual pay considerations for Group Executive Directors, direct reports of Group Executive Directors, and other senior managers on non-Agenda for Change terms and conditions.

Discussions and decisions were made for the salary of the Director of Workforce and OD for Clinical and Scientific Services, and the annual pay award for Group

Executive Directors, direct reports of Group Executive Directors, and other senior managers on non-Agenda for Change terms and conditions.

Nominations Committee of the Council of Governors

The Council of Governors' Nominations Committee has a responsibility to consider the structure, size and composition of the Board of Directors and make recommendations for any changes. It is also, with external advice as appropriate, responsible for the identification and nomination of new Group Non-Executive Directors, and the remuneration of Group Non- Executive Directors.

In keeping with statutory requirements, whilst the Council of Governors' Nominations Committee makes recommendations, it is the Governors that are responsible at a general meeting for the appointment, re- appointment and removal of the Chairperson and the other Non-Executive Directors.

The Group Non-Executive Directors are not employees of the Trust. They receive no benefits or entitlements other than fees and are not entitled to any termination payments. The Trust does not make any contribution to the pension arrangements of Group Non-Executive Directors.

The terms of office for Group Non-Executive Directors at the Trust are managed in accordance with NHSE/I's Code of Governance, i.e. any term beyond six years (two three-year terms) will be subject to rigorous review and subject to annual reappointment.

- ***Group Chairman & Group Non-Executive Directors' Appraisal Process:***

It is important that there is a clear, fair and open performance review process for all Group Non-Executive Board members that takes account of both individual accountability lines and the essential input of Governors.

Performance Reviews (Appraisals) are undertaken on an annual basis with the following key aim/outcomes being expected:

- Appraisal – evaluation of performance, opportunity to build on strengths and address any identified development needs.
- Raises overall standards of governance
- Key principles:
  - Hold to account for performance
  - Set appropriate objectives consistent with role
  - Identify learning and development needs
  - Support succession planning and the management of the Group Non-Executive talent pool
- All information is confidential within the agreed distribution of the process.

The appraisal process for the Group Chairman and Group Non-Executive Directors is a tried-and-tested process used in MFT's legacy organisations since 2009. An external appraisal specialist was appointed by the Trust Board Secretary (with

support from the Lead Governor) to undertake an independent 360° appraisal of the Group Chairman during May and June 2021.

This individual is a Chartered Member of the CIPD and provides a Resourcing & Human Capital Solutions Consultancy Service established in 2005. She is known to the organisation and has been involved in Chairman Appraisals for a number of years. The fee for the independent input received was £1,600+VAT.

The Trust continues to embrace the spirit of the new 'Framework for conducting annual appraisals of NHS provider chairs' issued by NHS Improvement in Autumn 2019.

In addition, a Governor questionnaire fed in views on Group Non-Executive Directors and the Group Chairman to the Lead & Staff Governor and Senior Independent Director (SID) respectively. The SID confirmed the process adopted and the key headlines covered in the report had been shared with the Council of Governors' Nominations Committee (Panel of Governors) at its meeting on 12th July 2021.

The Group Non-Executive Directors' performance review process was facilitated by the Group Chairman, and following a robust, fair, clearly defined and transparent process, which took into account the views of Governors. A Group NED Performance Report was produced, with the Group Chairman discussing final sign-off with the Lead & Staff Governor, who shared the report finding highlights with the Council of Governors' Nominations Committee (Panel of Governors) at its meetings held on 4th May and 12th July 2021.

The following assurance was provided by the Senior Independent Director and Lead Governor and supported by the Council of Governors' Nomination Committee (Panel of Governors) to the Council of Governors at their general meeting held on **21st July 2021**.

- *Group Senior Independent Director - the performance review process for the Group Chairman had been a very through and comprehensive process that had been undertaken and completed successfully*
- *Lead Governor - due process had been followed and that the performance review process for the Group Non-Executive Directors was robust and completely transparent and had been undertaken and completed successfully*

The Council of Governors noted, and concurred with, this assurance.

- ***Extension of the Terms of Office of Group Non-Executive Directors***

The term of office of Professor Luke Geoghiou was due to expire on 31st May 2021.

The Council of Governors' Nominations Committee (Panel of Governors) held on 4th May 2021, supported the recommendations to reappoint Professor Luke Georghiou for a three-year second tenure.

The following recommendation, made by the Panel of Governors to the Council of Governors at their general meeting held on 12th May 2021, was unanimously approved:

> *The Governor Appointment Panel (of the CoG Nominations Committee) recommends the reappointment of Professor Luke Georghiou as a Group Non-Executive Director of MFT for a further three years term of office from 1st June 2021*

The terms of office of three Group Non-Executive Directors – Dr Ivan Bennett, Mr Barry Clare, Professor Dame Sue Bailey – were due to expire on 19th December 2021. In addition, the Trust received notification that Mr John Amaechi also wished to step down from office on 19th December 2021.

The Council of Governors' Nominations Committee (Panel of Governors), held on 12th July 2021, supported the recommendations to reappoint two of the three Group NEDs (whose term of office was ending), alongside the appointment of two new Group NEDs:

The panel recognised the importance of maintaining stability and continuity within the Board of Directors, retaining the experience and skills to support the Trust's response to the ongoing health, social and economic challenges ahead. In addition, the panel concluded that the Trust would be disadvantaged as a result of four Group Non-Executive Directors' terms of office simultaneously ending in December 2021, resulting in a significant loss of organisational knowledge.

This loss of knowledge it was felt would be particularly challenging as a result of the local, regional and national response to the ongoing COVID-19 pandemic, the anticipated impact of the new White Paper (Health & Social Care Bill), and associated proposals for changes in social care, mental health and public health, alongside major reconfigurations of services in the Greater Manchester Health & Social Care System that are taking place (including the proposed development of North Manchester General Hospital). It was therefore felt vitally important that an element of stability was maintained, particularly during the challenging health, social and economic times ahead.

The following recommendation was made by the Council of Governors' Nominations Committee (Panel of Governors) to the Council of Governors at their general meeting held on 21st July 2021, and was unanimously approved:

- *Mr Barry Clare is reappointed as MFT Deputy Group Chairman with effect from 20th December 2021 to 19th December 2022*
- *Professor Dame Sue Bailey is reappointed as MFT Group Non-Executive Director with effect from 20th December 2021 to 19th December 2022.*
- *Proceed with the appointment of two new Group Non-Executive Directors to replace Dr Ivan Benett and Mr John Amaechi*

Appointment of two new Non-Executive Directors

As a result of the term of office ending of Dr Ivan Benett, alongside the stepping down of Mr John Amaechi, a recruitment process was undertaken for two Group

Non-Executive Directors, using an external search company. Following an in-depth recruitment process (undertaken between end of July – mid-November 2021), the Council of Governors' Nominations Committee (Panel of Governors) participated in the long-listing and short-listing processes and were fully involved in the formal interview process. Additional Governor representatives also participated in the two Stakeholder Engagement Groups, held on 19th November 2021, which supplemented the interview process.

The following recommendation was made by the Council of Governors' Nominations Committee (Panel of Governors) to the Council of Governors at their general meeting held on 24th November 2021, which was approved by the majority of Governors:

- *The Appointment/Interview Panel recommends that Gaurav Batra and Angela Adimora be appointed as Group Non-Executive Directors for Manchester University NHS Foundation Trust for an initial period of 3 years from 20th December 2021.*

Senior Managers' Remuneration policy – future policy table

Consideration	Salary/fees	Taxable benefits	Annual performance related bonus	Long term related bonus	Pension related benefits
Support for the short and long-term strategic objectives of the Foundation Trust	Ensure the recruitment/ retention of directors of sufficient calibre to deliver the Trust's objectives	None disclosed	Not applicable	Not applicable	Ensure the recruitment/ retention of directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Monthly remuneration	None disclosed	Not applicable	Not applicable	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	Trust appraisal process	None disclosed	Not applicable	Not applicable	Contributions are made in accordance with the NHS Pension Scheme
Performance measures	Based on individual objectives agreed with line manager	None disclosed	Not applicable	Not applicable	Not applicable

Consideration	Salary/fees	Taxable benefits	Annual performance related bonus	Long term related bonus	Pension related benefits
Performance period	Annual, linked to the individual's increment date	None disclosed	Not applicable	Not applicable	Not applicable
Amount paid for minimum level of performance and any further levels of performance	Remuneration committee calculated pay levels using criteria based on: -changes in responsibilities -cost of living increases	None disclosed	None paid	Not applicable	Contributions are made in accordance with the NHS Pension Scheme
Explanation of whether there are any provisions for recovery of sums paid to directors, or provision for withholding payment	Any sums paid in error may be recovered	None disclosed	None paid	None paid	Not applicable

Senior managers' remuneration policy

MFT's Executive Directors are employed on contracts of employment whose provisions are consistent with those relating to other employees within the Trust. There are no components within the remuneration relating to performance measures, bonuses or benefits in kind. Contracts for Directors do not contain any obligations which could give rise to or impact on remuneration payments or payments for loss of office.

The Trust has an Equality & Diversity Policy in Employment that sets out its approach to equality in the workforce. All workforce policies in line with the policy have an equality impact assessment undertaken. The Trust set out its new Equality, Diversity & Inclusion Strategy in October 2019 https://mft.nhs.uk/the-trust/equality-diversity-and-inclusion/ .

Monitoring of the impact of the strategy at an operational level is undertaken at the Group Equality, Diversity & Inclusion Group; the HR Scrutiny Committee monitors against the strategic aims. The Board annually accepts the Gender Pay report which outlines how MFT is performing against the national Gender Pay reporting framework.

The MFT executive pay structure is very simple. There is basic pay and no other elements. All pay is taxed at source. There are no bonus payments – however,

Executive salaries are subject to a 10% earn back element in accordance with NHSI guidance.

Salaries have been benchmarked against NHS Improvement (NHSI) guidance. The remuneration policy for other senior managers (those reporting directly to Executives) provides a progression ladder between the pay of other employees and that of Executive Directors. MFT did not consult with employees when preparing the senior managers' remuneration policy, but did consult with individuals about how the application of the policy would apply to them.

Executive Directors of the Trust are employed on a permanent contract basis. Required notice periods are six months, except for the Group Chief Executive whose notice period stands at twelve months.

Where salaries of very senior managers exceed £150,000 per annum, this is in accordance with NHSI guidance and benchmarks and they are appropriate to match the market rate.

Performance of the Executive Directors is assessed and managed through regular appraisal against predetermined objectives along with monthly one to one reviews with the Group Chief Executive.

Similarly, the Chairman holds monthly one to one's with the Group Chief Executive. Any deficit in performance is identified during these regular meetings. Serious performance issues are managed via our organisational performance capability management policy.

Performance of the Non-Executive Directors (including the Deputy Chairman) is assessed and managed through regular appraisal by the Chairman against predetermined objectives along with regular one to one reviews with each NED. Any deficit in performance is identified during these regular meetings along with opportunities for regular professional development.

Appraisals led by the Chairman - for the Group Chief Executive and Non-Executive Directors – are used as an opportunity to identify continuing professional development needs. No performance payment element has been paid to any of the Trust's Executive Directors during 2019/20. Equally, there have been no payments to either Executive or Non-Executive Directors for loss of office.

There are no special contractual compensation provisions for early termination of Executive Directors' contracts. Early termination by reason of redundancy is subject to the normal provisions of the Agenda for Change (AfC): NHS Terms and Conditions of Service Handbook (Section 16). For those above the minimum retirement age, early termination by reason of redundancy is in accordance with the NHS Pension Scheme. Employees above the minimum retirement age who themselves request termination by reason of early retirement are subject to the normal provisions of the NHS Pension Scheme.

The principles for determining how payments for loss of office will be approached would be determined by the circumstances of the loss of office and would all be

considered on a case by case basis by the Remuneration Committee and would be discussed with NHSI in advance.

Directors' expenses

- The total number of Directors in office during 2021/22 was 21 (2020/21,18)
- The number of Directors receiving expenses in 2021/22 was 2 (2020/21,4)
- The total amount of expenses paid to Directors in 2021/22 was £637 (2020/21, £1,375)

Governors' expenses

- The total number of Governors in office during 2021/22 was 30 (2020/21,37)
- The number of Governors receiving expenses in 2021/22 was 0 (2020/21,1)
- The total amount of expenses paid to Governors in 2021/22 was £0 (2020/21, £16)

Directors' Remuneration
Salaries for 2021/22 (audited)

	Salary £000 (Bands of £5,000) £000	Taxable benefits in kind (Rounded to nearest £100) £0	Annual performance related bonuses	Long-term performance related bonuses	All pension related benefits (Bands of £2,500) £000	Total Bands of £5,000) £000
Kathy Cowell, Group Chairman	65-70	0	0	0	0	65-70
Barry Clare, Group Deputy Chairman	15-20	0	0	0	0	15-20
Angela Adimora (from 20/12/21)	0-5	0	0	0	0	0-5
John Amaechi, Group Non-Executive Director (left 17/12/21)	10-15	0	0	0	0	10-15
Dame Sue Bailey, Group Non-Executive Director	15-20	0	0	0	0	15-20
Gaurav Batra (from 20/12/21)	0-5	0	0	0	0	0-5
Dr Ivan Benett, Group Non-Executive	10-15	0	0	0	0	10-15

	Salary £000 (Bands of £5,000) £000	Taxable benefits in kind (Rounded to nearest £100) £0	Annual performance related bonuses	Long-term performance related bonuses	All pension related benefits (Bands of £2,500) £000	Total Bands of £5,000) £000
Director (left 17/12/21)						
*Prof Luke Georghiou, Group Non-Executive Director	0	0	0	0	0	0
Nic Gower, Group Non-Executive Director	20-25	0	0	0	0	20-25
Chris McLoughlin, Group Non-Executive Director/Senior Independent Director	15-20	0	0	0	0	15-20
Trevor Rees, Group Non-Executive Director	15-20	0	0	0	0	15-20
**Sir Mike Deegan, Group Chief Executive	330-335		0	0	0	330-335
Gill Heaton, Group Deputy Chief Executive	170-175	0	0	0	0	170-175
Darren Banks, Group Director of Strategy	175-180	0	0	0	0	175-180
**Peter Blythin, Group Executive Director of Workforce & Corporate Business	190-195	0	0	0	0	190-195
**Julia Bridgewater,	220-225	0	0	0	0	220-225

	Salary £000 (Bands of £5,000) £000	Taxable benefits in kind (Rounded to nearest £100) £0	Annual performance related bonuses	Long-term performance related bonuses	All pension related benefits (Bands of £2,500) £000	Total Bands of £5,000) £000
Group Chief Operating Officer						
Prof Jane Eddleston Joint Group Medical Director	190-195	0	0	0	0	190-195
Jenny Ehrhardt, Group Chief Finance Officer	205-210	0	0	0	55-60	245-250
***David Furnival (with effect from 20/09/21)	90-95	0	0	0	145-150	240-245
**Cheryl Lenney, Group Chief Nurse	170-175	0	0	0	0	170-175
Miss Toli Onon, Joint Group Medical Director	205-210		0	0	55-60	260-265

**Professor Luke Georghiou commenced his role as Group-Non-Executive Director on 1st June 2018 and has elected not to receive his remuneration for this post,but has nominated that the University of Manchester receive it on his behalf.*

***Salary includes non-recurrent payments during 2021/22 for untaken annual leave:*

**** D. Furnival, Group Director of Operations from 20th September 2021, attends Board meetings as a non-voting member*

The benefits and related CETVs do not allow for a potential future adjustment arising from the McCloud judgement.

Directors' Remuneration
Salaries for 2020/21 (audited)

	Salary £000 (Bands of £5,000) £000	Taxable benefits in kind (Rounded to nearest £100) £0	Annual performance related bonuses	Long-term performance related bonuses	All pension related benefits (Bands of £2,500) £000	Total Bands of £5,000) £000
Kathy Cowell, Group Chairman	65-70	0	0	0	0	65-70
Barry Clare, Group Deputy Chairman	15-20	0	0	0	0	15-20
John Amaechi, Group Non-Executive Director	15-20	0	0	0	0	15-20
Dame Sue Bailey, Group Non-Executive Director	15-20	0	0	0	0	15-20
Dr Ivan Benett, Group Non-Executive Director	15-20	0	0	0	0	15-20
Prof Luke Georghiou, Group Non-Executive Director	15-20	0	0	0	0	15-20
Nic Gower, Group Non-Executive Director	20-25	0	0	0	0	20-25
Chris McLoughlin, Group Non-Executive Director/Senior Independent Director	15-20	0	0	0	0	15-20
Trevor Rees, Group Non-Executive Director	15-20	0	0	0	0	15-20
Sir Mike Deegan,	275-280	0	0	0	0	275-280

	Salary £000 (Bands of £5,000) £000	Taxable benefits in kind (Rounded to nearest £100) £0	Annual performance related bonuses	Long-term performance related bonuses	All pension related benefits (Bands of £2,500) £000	Total Bands of £5,000) £000
Group Chief Executive						
Gill Heaton, Group Deputy Chief Executive	165-170	200	0	0	0	1b5-170
Darren Banks, Group Director of Strategy	170-175	0	0	0	25-27.5	200-205
Peter Blythin, Group Executive Director of Workforce & Corporate Business	180-185	0	0	0	0	180-185
Julia Bridgewater, Group Chief Operating Officer	205-210	0	0	0	0	205-210
Prof Jane Eddleston Joint Group Medical Director	185-190	0	0	0	0	185-190
Jenny Ehrhardt, Group Chief Finance Officer (from 1/4/20)	190-195	0	0	0	37.5-40	230-235
Cheryl Lenney, Group Chief Nurse	170-175	0	0	0	0	170-175
Miss Toli Onon, Joint Group Medical Director	195-200		0	0	35-37.5	235-240

Pensions for 2021/22 (audited)

	Real increase/ (decrease) in pension at age 60	Real increase/ (decrease) in pension lump sum at age 60	Total accrued pension at age 60 at 31st March 2022	Lump sum at age 60 related to accrued pension at 31st March 2022	Cash Equivalent Transfer Value at 31st March 2022	Cash Equivalent Transfer Value at 31st March 2021	Real increase in Cash Equivalent Transfer Value
	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000			
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Jenny Ehrhardt Group Chief Finance Officer	2.5 to 5	0.0 to 2.5	50 to 55	95 to 100	720	659	58
Darren Banks Group Director of Strategy	0	0	55 to 60	125 to 130	1,019	1,281	0
Toli Onon Joint Group Medical Director	2.5 to 5.0	0.0 to 2.5	75 to 80	170 to 175	1,598	1,493	97
David Furnival Acting Group Director of Operations	7.5 to 10	12.5 to 15	45 to 50	90 to 95	767	633	131

The above table gives Pension Benefits accruing from the NHS Pension Scheme up to 31st March 2022. As Non-Executive Directors do not receive pensionable remuneration, there are no entries in respect of Pensions for these Directors.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the Pension Scheme benefits accrued by a Scheme Member at a particular point in time. The benefits valued are the member's accrued benefits, and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a Pension Scheme, or arrangement to secure Pension Benefits in another Pension Scheme, or arrangement when the member leaves a Scheme, and chooses to transfer the benefits accrued in their former Scheme. The Pension figures shown relate to the benefits which the individual has accrued as a consequence of their total membership of the Pension Scheme, not just their service in a senior capacity within this Trust and this Group, to which the disclosure applies.

The CETV figures and other Pension details include the value of any Pension Benefits in another scheme or arrangement which the individual has transferred to the NHS Pension Scheme. They also include any additional Pension Benefit accrued to the member as a result of their purchasing additional years of Pension Service in the Scheme at their own

cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

The method used to calculate CETVs has changed to remove the adjustment for Guaranteed Minimum Pension (GMP) on 8 August 2020. If an individual was entitled to a GMP, this will affect the calculation of the real increase in CETV which has been reported. This is more likely to affect individuals who are members of the 1995 Section and 2008 Section of the NHS Pension Scheme.

Pensions for 2020/21 (audited)

	Real increase/ (decrease) in pension at age 60	Real increase/ (decrease) in pension lump sum at age 60	Total accrued pension at age 60 at 31st March 2021	Lump sum at age 60 related to accrued pension at 31st March 2021	Cash Equivalent Transfer Value at 31st March 2021	Cash Equivalent Transfer Value at 31st March 2020	Real increase in Cash Equivalent Transfer Value
	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000			
	£000	£000	£000	£000	£000	£000	£000
Jenny Ehrhardt, Group Chief Finance Officer	45.0 to 47.5	92.5 to 95.0	45 to 50	90 to 95	659	0	659
Darren Banks, Group Director of Strategy	70.0 to 72.5	172.5 to 175.0	70 to 75	170 to 175	1,281	0	1,281
Miss Toli Onon, Joint Group Medical Director	7.5 to 10.0	12.5 to 15.0	70 to 75	170 to 175	1,493	1,280	192

Fair pay multiple (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation.

The full time equivalent annual remuneration of the highest paid director in Manchester University Hospitals NHS Foundation Trust in the financial period was £332,500. This was 10.5 times the median remuneration of the workforce, which was £31,534 The remuneration ratio has increased from 9.1 in 2020/2021 to 10.5 in 2021/2022 as a consequence of the pay review of the highest paid director in line with the policy on Directors' remuneration. The % salary increase from the previous year for the highest paid director is 4.23%, which included 3% inflationary increase and other non-recurrent changes..

In 2021/22 no employees (2020/21 0 employees) received remuneration in excess of the highest paid Director. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, and any severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

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

2021/2022	25th percentile	Median	75th percentile
Salary component of pay	£21,777	£31,534	£40,057
Total pay and benefits excluding pension benefits	£23,785	£31,565	£43,251
Pay and benefits excluding pension: pay ratio for highest paid director	14.8	10.5	8

Exit packages 2021/22 (audited)

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies £000s	Number of other departures agreed	Cost of other departures agreed £000s
<£10,000	1	6	64	262
£10,001-£25,000	1	10	5	76
£25,001 - £50,000	0	0	2	60
£50,001 - £100,000	0	0	0	0

£100,001 - £150,000	0	0	1	110
£150,001 - £200,000	0	0	0	0
>£200,000	0	0	0	0
Total	2	16	72	508

Exit packages: non-compulsory departure payments	Agreements Number	Total Value of Agreements £000s
Voluntary redundancies including early retirement contractual costs	2	114
Mutually agreed resignations (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	70	394
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring HMT approval	0	0
Total	**72**	**508**

Exit packages 2020/21 (audited)

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	1	37	38
£10,000- £25,000	2	9	11
£25,001 - £50,000	5	1	6
£50,000 - £100,000	2	0	2
£100,000 - £150,000	0	0	0
£150,000 - £200,000	0	0	0
Total	10	47	57

	Agreements Number	Total Value of Agreements £000
Contractual payments in lieu of notice	47	277

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

Our Members and Governors

As an NHS Foundation Trust, we are accountable to our members (who include our patients, local residents, staff and stakeholders), with members being able to influence the Trust's decision-making processes and forward plans. Engaging with our members means we can respond much more quickly and effectively to the identified needs of our patients, their families and our staff, delivering a patient-centred National Health Service.

Another key benefit of being an NHS Foundation Trust is that those living in the communities, that we serve, can become public members with MFT's membership community being made up of both Public Members (including local residents, patients and carers) and Staff Members (including MFT's employees and other people who provide services to the Trust).

Foundation Trusts are democratic organisations in that members of the public and staff vote for and can stand to become elected representatives (Governors) who, in turn, are responsible for representing the interests of members and partner organisations. They also hold Non-Executive Directors to account for the performance of the Board of Directors. FTs are therefore accountable to their members through their elected and nominated Governors.

We usually have a busy programme of engagement activities, meetings and events for Governors and Members. However, as a direct result of the ongoing COVID-19 national emergency (social distancing, national/local lockdown restrictions etc.) and associated guidance released from our regulators (NHS England/Improvement), has meant that all usual face-to-face meetings and events were stood down, with alternative new ways of working/engaging being developed, including virtual meetings/sessions and film-clips being established.

Throughout this challenging period, Governors have continued to carry out their roles with commitment and enthusiasm. The Trust's robust governance processes ensured that all statutory requirements were met.

MFT'S Membership Aim & Key Priorities

Membership Aim:

- For the Trust to have a representative membership that truly reflects the communities that it serves, with Governors actively representing the interests of members as a whole and the interests of the public.

Key Priorities:

- *Membership Community* – to uphold our membership community by addressing natural attrition and membership profile short-fallings.
- *Membership Engagement* – to develop and implement best practice engagement methods.
- *Governor Development* – to support the developing and evolving role of Governor by equipping Governors with the skills and knowledge in order to fulfil their role.

Membership Community - by ensuring that our public membership is diverse and representative of the communities that we serve enables:

- A wide range of people from various backgrounds, locations and profile groups, to regularly receive:
    - Key Trust information e.g. membership newsletters, invites and updates etc.
    - Key membership involvement opportunities e.g. voting for Governor representatives and/or standing for election as a Governor.

On 31st March 2022, we had 22,778 public members and 30,612 staff members, giving an overall total membership community of 53,390 members.

Public Membership

Public membership is on an opt-in basis, being free of charge and is open to anyone who is aged 11 years or over and lives in England and Wales. Our public member constituency is subdivided into five areas:

Public Constituencies	*Number of public members*
Manchester	8,273
Trafford	3,249
Eastern Cheshire	1,051
Rest of Greater Manchester	7,620
Rest of England & Wales	2,585
Total	**22,778**

The Public Member Constituencies are for Manchester, Trafford, Eastern Cheshire and Rest of Greater Manchester areas. Areas that fall outside these constituencies are captured in the rest of England and Wales constituency.

We are committed to having a representative membership that truly reflects the communities that we serve and we welcome members from all backgrounds and protected characteristics. New online/electronic communications and recruitment initiatives were again deployed throughout the past year to encourage members of the public to consider becoming a member of MFT.

Membership recruitment campaigns/initiatives are implemented on a regular basis to encourage and recruit members of the public, including patients and visitors to the Trust, to consider becoming public members of MFT. Whilst face-to-face recruitment initiatives, across our various hospital sites continued to be suspended as a result of the ongoing COVID-19 pandemic, alternative ways to promote MFT's public membership have been deployed over the past year.

Initiatives have included a refresh of public membership materials/posters etc. (adult and young people's versions), which were widely promoted across all MFT's hospital locations on the Oxford Road Campus and WTWA sites alongside North Manchester General Hospital.

Our young public members were also encouraged to invite their friends to join our Trust as part of a new 'member-get-member' recruitment initiative.

Another new engagement initiative that was deployed, over the past year, was encouraging members of the public alongside MFT's members to take part in a Love Letter to the NHS. This provided an opportunity for people to share what they appreciated most about the NHS and sign-up and become a public member of MFT https://mysay.is/LoveLetterCamp

The 'Love Letter Campaign' was promoted in the Trust's membership newsletter (MFT News), with floor stickers also being installed across all MFT's hospital sites on the Oxford Road Campus, WTWA in addition to North Manchester General Hospital. Promotional materials/floor stickers were also displayed/installed at several community locations across Manchester and North Manchester, including libraries, youth centres and schools.

The feedback received from participants was unanimously supportive of the NHS with overwhelming thanks and gratitude being communicated via this campaign. Here is just a selection of the comments:

"Thank you for all your hard work through the pandemic and in general!"

"You are great, we love you all."

"My wife is one of your nurses in the community. She is so proud to work for the NHS, and in particular MFT. I know she wouldn't want to work anywhere else. I too am so proud that she works for such an amazing Trust. MFT have supported her to do her master's degree, and at the same time she has being recognised as a Queen's Nurse. I don't think she could have reached this level of achievement anywhere else! "I do hope for the future that my wife and all the other dedicated NHS staff working in MFT and all over the UK stay safe and well and understand that we are all truly appreciate the exceptional work they do to keep us safe and the sacrifices they make in their work. My own hope is that the NHS continues well into the future and is given the recognition and resources it so truly deserves by the government. With love and compassion, A truly grateful husband of a Queen's Nurse x"

"Many thanks to everyone within the NHS, from the cleaners up to high management."

"Thank you for amazing service."

"The world loves you. If you see people annoyed, short tempered, frustrated or snappy - please know 100% none of it is for you. Humans are struggling and frustrated and afraid. You are doing your best, and your best is perfect!! Please take care of you because you deserve and are worthy of care too. I am proud of you, it's been tough. It's great that you exist. You are enough. You are worthy. May you be blessed. May you be happy. May you be abundant. May you love and be loved. May you live in peace. X"

"The cochlear implants have changed my son's future immensely. We're so grateful for the care and treatment he's received."

"I'm still at school and right now, I'm making a lot of decisions for my future. I've always had a curiosity for the scientific side of things and one day, after school's been done with, I want to become a scientist and discover something that will change the world! The reason I love the NHS is because I know how fortunate we all are to be able to have these kind people to treat us, free of charge no matter who we are. .....Thank you NHS for dealing with thousands of patients everyday, and helping to benefit society. You're all so brave to have to deal with this all - and I thought exam pressure was a lot! Thank you for saving lives and caring about us all."

"All in all, I think I have a good reason to value the NHS – long may it prosper!"

"Thank you so much for everything you do. Your work is appreciated and you deserve much better support from those in power!"

Public Membership Analysis Table at 31st March 2022

Profile Group	Membership 2020/21	%	Membership 2021/22	%
Age				
0-16	626	2.7	401	1.8
17- 21	1,325	5.6	1,237	5.4
22+	20,067	85.8	19,815	87.0
Not Stated	1,379	5.9	1,325	5.8
Ethnicity				
White	15,902	68.0	15,407	67.7
Mixed	541	2.3	528	2.3
Asian or Asian British	2,937	12.5	2,921	12.8
Black or Black British	1,290	5.5	1,278	5.6
Other	299	1.3	301	1.3
Not Stated	2,428	10.4	2,343	10.3
Gender				
Male	10,270	43.9	9,989	43.8
Female	12,082	51.6	11,766	51.7
Transgender	2	-	0	-
Not Stated	1,043	4.5	1,023	4.5
Recorded Disability	2,092	8.9	2,020	8.9

Note: Although the 0-16 year old membership group figure may appear low, the Trust's membership base for this group is between the ages of 11-16 years.

Total public membership (31st March 2022) = 22,778 (includes 1,325 members with no stated age, 2,343 members with no stated ethnicity, 1,023 members with no stated gender.

The Board of Directors monitor how representative our membership is and the effectiveness of membership engagement as part of the annual reporting process.

Staff Membership

Staff membership is open to individuals who are employed by the Trust under a contract of employment, including temporary or fixed-term (minimum of 12 months) or exercising functions for the Trust with no contract of employment (functions must be exercised for a minimum of 12 months).

All qualifying members of staff are automatically invited to become members, as we are confident that our staff want to play an active role in developing better quality services for our patients. Staff are, however, able to opt out if they wish to do so.

The staff member constituency is subdivided into four staff classes:

Staff classes	*Number of staff members*
Medical & Dental	2,825
Nursing & Midwifery	8,943
Other Clinical Staff	9,818
Non-Clinical & Support	9,035
Total	**30,612***

** This figure includes clinical academics, facilities management contract staff and full head counts, which include bank staff and staff on zero hours contracts.*

Membership Engagement & Membership Strategy

We have a Membership & Engagement Strategy that outlines how patients, carers, members of the public and the local communities that we serve can become more involved by becoming members of our Trust.

The strategy defines our membership community, outlining how we recruit, retain, engage, support, and involve our membership. It also explains how we deliver effective member communication and evaluate membership recruitment and engagement success.

In addition, the strategy also outlines the Governor (membership representatives) role and duties alongside the key areas to support and develop the evolving role of Governors. The composition of MFT's Council of Governors is also included alongside the review process for the composition of the Trust's Group Non-Executive Directors. The Membership Strategy is reviewed by MFT's Council of Governors.

Membership Engagement/Benefits – members' views are valued and their support and involvement is vital to our future success:

- *Having a voice, through Governors (their elected representatives), which ultimately helps us to shape our future service provisions to more meet members', and their family's needs*
- *On behalf of members, the Council of Governors directly engage with the Board of Directors to share both their and members' views during decision-making processes and when formulating future plans*
- *Membership is completely free*
- *Once a member, the individual decides how involved they want to be.*

The Trust strives to engage with members so that their contribution and involvement is turned into tangible service benefits, thus improving the overall experiences of our patients. Membership engagement is facilitated through our strong working relationship with our Governors and key membership communications.

As a result of COVID-19 and associated 'lockdown' and social distancing measures, NHS England/Improvement (NHSI/E) released several associated guidance documents that necessitated Governors suspending all face-to-face recruitment and engagement practices for the foreseeable future and/or until it is deemed safe by Government and health officials to resume normal interactions. The guidance specified that the Trust's engagement with members (including the general public) should be limited to 'COVID-19 purposes', with regular briefings being issued to staff and governors (via email from the Trust's Communications Team). Key information was also posted on the Trust's website https://mft.nhs.uk/coronavirus-covid-19/ .

In keeping with the NHSE/I Guidance*, the Trust held a virtual 2021 Annual Members' Meeting, which was available for members and the wider general public to view from 21st September 2021. As part of this meeting, the Trust's Directors produced a series of films that covered the 2020/21 Annual Report and Accounts and outlined our plans for the future. A membership report/overview and the results of our 2021 Governor Elections/Nominations were also provided.

The films are available to view at https://mft.nhs.uk/member-meetings/annual-members-meeting-2021/

Members were invited to watch the films and submit any questions or feedback to the Trust Board secretary with associated responses to the questions received being posted on the above Trust webpage. They also received our Member News newsletter, which contained updates on Trust activities and the ongoing response to the pandemic.

**NHSE/I national & local directives sent to all NHS FTs dated 28th March 2020; 6th July 2020; 11th January 2021; 26th January 2021 and 24th December 2021 - in terms of 'FT Governor and Membership Processes', MFT has gone over and above the following national guidance issued during the past 12 months which specified that "Annual Members' Meetings should be deferred. Membership engagement should be limited to COVID-19 purposes".*

How to become a Member

We are committed to establishing a truly representative membership and we welcome members from all backgrounds and protected characteristics including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation (this is not exclusive of other diverse backgrounds).

Membership application forms are available on the Trust's website (www.mft.nhs.uk) by clicking the Become a Member of our Trust – Membership Form button. Hard copies are available from the Foundation Trust Membership Office (contact: ft.enquiries@mft.nhs.uk or 0161 276 8661).

As part of the NHS membership application process, individuals are asked to supply their personal data, with any data that is supplied being used only to contact them about the Trust's membership or other related issues and will be processed for these purposes only. A copy of MFT's privacy notice can be found on the Trust's website https://mft.nhs.uk/privacy-policy/

Changes to membership details or cancelling membership

As part of the membership application process, the Department of Health asks NHS Foundation Trusts to capture information in relation to ethnicity, language and disability status so that we can be sure that we are representing all sections of our communities. We therefore ask membership applicants to disclose this information during the application process with all information collected being confidential, in keeping with data protection rules, and it is not released to third parties. Informational changes or membership cancellations are forwarded to the Foundation Trust Membership Office.

Helping to reduce our carbon footprint

Our Trust has an action plan to reduce our carbon footprint and save valuable natural resources. One of our sustainability commitments is to reduce the number of documents that we print, and we hope that members will help us to achieve this.

Members are encouraged to receive information via email by providing their email address during their application and/or involvement process or by contacting the Foundation Trust Membership Office.

Our Council of Governors
The Board of Directors and Council of Governors have distinct roles. The Board is responsible for the direction, all aspects of operation and performance, and for effective governance of the Trust, with the Council of Governors being responsible primarily for seeking assurance about the performance of the Board.

Our Council of Governors was established following the creation of MFT on 1st October 2017. The Board of Directors is committed to understanding the views of Governors and Members by holding and participating in regular Governor and Members' Meetings/Events.

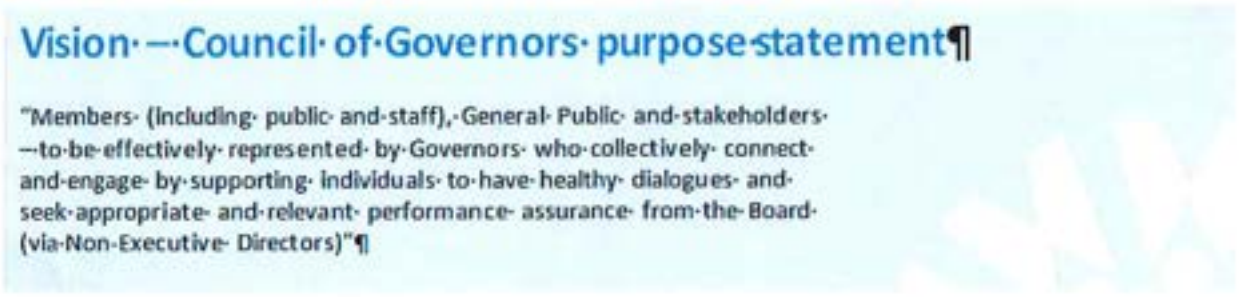
As set out in the Health & Social Care Act (2012), the two key duties of the Council of Governors are:

- to represent the views and interests of members of the Trust as a whole and the interests of the public.
- to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

From these key duties, we have developed the following Governor aim and key objectives:

Aim - Governors proactively representing the interests of members as a whole and the interests of the public via active engagement and effectively holding the Non-Executive Directors, both individually and collectively, to account for the performance of the Board of Directors.

MFT's Council of Governors has also developed the following associated Vision and Values:



Values – Council of Governors Operating Principles

Working Together

- We will participate in meetings and be committed to our role of Governor
- We will advise of our meeting/event availability and when participating in meetings/events, we will be on time
- We will read ahead and be prepared so we are able to contribute effectively
- We will strive to ensure that the interaction between the Board of Directors and the Council of Governors is seen primarily as being a constructive partnership seeking to work effectively together in our respective roles
- We will proactively engage with the Board of Directors in those circumstances when we have concerns

Dignity and Care

- We will support each other to work on our common objectives and collective beliefs, in keeping with our Governor Role/Code of Conduct

Everyone Matters

- We will listen to each other, allowing one person to speak at a time and give everyone the opportunity to contribute
- We will recognise time constraints and respect each other's time

Open and Honest

- We will create a friendly atmosphere and be polite and respectful to each other and those we interact with
- We will seek assurance and challenge positively

We have 32 Elected and Nominated Governors on our Council of Governors, the majority of whom (24 out of 32) are directly elected from and by our members. The table below outlines the composition of our Council of Governors:

Governor Constituency/Class/Partner Organisation		Number of Governor Posts
Public	Manchester	7
	Trafford	2
	Eastern Cheshire	1
	Greater Manchester	5
	Rest of England & Wales	2
	Total:	17
Staff	Nursing & Midwifery	2
	Other Clinical	2
	Non-Clinical & Support	2
	Medical & Dental	1
	Total:	7
Nominated	Local Authority (Manchester City Council and Trafford Council)	2
	Manchester University	1
	Manchester Health & Care Commissioning Group	1
	Trust Volunteer	1
	Trust Youth Forum	2
	Manchester Council for Community Relations or Manchester BME Network	1
	Third sector umbrella organisation (currently Caribbean & African Health Network)	1
	Total:	8

In 2021/22, elections for two Public Governors were held alongside new nominations/re-nominations being received for two Nominated Governors, from the Trust's Youth Forum alongside a third sector umbrella organisation (currently Caribbean & African Health Network).

Our Board of Directors can confirm that elections for the Public Governors seats were held in accordance with the election rules as stated in our Constitution (February 2021). Appointed (Nominated) Governor nominations were also received in keeping with our Constitution (February 2021).

The Trust's Governor Election Turnout Data - 2021					
Date of Election	Constituencies/Classes Involved	Number of Eligible Voters (Members)	Number of Seats Contested	Number of Contestants	Election Turnout
September 2021	Rest of Greater Manchester	7,803	1	18	5.4%
	Rest of England & Wales	2,619	1	6	5.6%

Successful candidates and nominees were announced at our virtual Annual Members' Meeting on 21st September 2021 and formally commenced in post on 22nd September 2021. More information about our Governor Elections and Annual Members' Meeting can be found at https://mft.nhs.uk/the-trust/governors-and-members/

Lead Governor elections were also held during October/November 2021, with Geraldine Thompson (Staff Governor – Other Clinical) being elected unopposed for a one-year term of office. Results were formally announced at the Council of Governors' Meeting on 24th November 2021, with the Lead Governor formally commencing in post following closure of this meeting.

NHSE/I national & local directives sent to all NHS FTs dated 28th March 2020; 6th July 2020; 11th January 2021; 26th January 2021 and 24th December 2021 - in terms of 'FT Governor and Membership Processes', MFT has gone over and above the following national guidance issued during the past 12 months which specified that "FTs free to stop/delay governor elections where necessary".

Governor interactions
The Council of Governors is encouraged to ensure its interaction and relationship with the Board of Directors is appropriate and effective. Governors hold our Group Non-Executive Directors (individually and collectively) to account for the performance of our Board of Directors, by ensuring that they act so that we do not breach the terms of our authorisation. In addition, Governors receive agendas and approved minutes for each Board of Directors' Meeting.

Governors are responsible for feeding back information about the Trust i.e. its vision, forward plan (including its objectives, priorities and strategy) and its performance to members and the public. In the case of Nominated Governors, this information is fed back to the stakeholder organisations that nominated them. Governors are, in return, also responsible for communicating back to the Board of Directors the opinions canvassed, making sure that the interests of our members and the public are represented.

Forward Plans
The Annual Plan for 2021/22 was approved by the Board in July 2021. It was developed by staff from across the Trust, with input from the Council of Governors representing members' views.

Governors continue to be actively involved in the development of the Trust's forward plans. Dedicated sessions are held for Governors in order for their views to be considered, on behalf of members, during the preparation of the next 2022/23 planning round and associated priority setting. Governors also receive a progress review report against the planning priorities that are set.

Members of the Council of Governors 2021/22
As outlined in the Trust's Constitution (February 2021), an elected Governor may hold office for a period of up to three years.

Elected Public Governors		
Name	**Public Constituency**	**Start/Term of Office**
Dr Syed Ali	Manchester	22nd September 2020 – 3 years ending 2023
John Churchill	Manchester	22nd September 2020 – 3 years ending 2023
Dr Michael Kelly	Manchester	6th December 2017 & re-elected 22nd September 2020 - 3 years ending 2023
Cllr Julie Reid	Manchester	22nd September 2020 – 3 years ending 2023
Jane Reader	Trafford	6th December 2017 & re-elected 22nd September 2020 - 3 years ending 2023
Chris Templar	Eastern Cheshire	6th December 2017 & re-elected 22nd September 2020 - 3 years ending 2023
Ivy Ashworth-Crees	Rest of Greater Manchester	6th December 2017 & re-elected 22nd September 2020 - 3 years ending 2023
Carol Shacklady	Rest of Greater Manchester	22nd September 2020 – 3 years ending 2023
Janet Heron	Manchester	6th December 2017 & re-elected 24th September 2019 - 3 years ending 2022
Ann Kerrigan	Manchester	24th September 2019 - 3 years ending 2022
Lisa Watson	Manchester	24th September 2019 - 3 years ending 2022
Margaret Clarke	Trafford	24th September 2019 - 3 years ending 2022
Ronald Catlow	Rest of Greater Manchester	24th September 2019 - 3 years ending 2022
Colin Potts	Rest of Greater Manchester	24th September 2019 - 3 years ending 2022
Christine Turner	Rest of England & Wales	6th December 2017 & re-elected 24th September 2019 – 3 years ending 2022
Paula King*	Rest of Greater Manchester	25th September 2018 - Stepped down September 2021
Sheila Otty	Rest of England & Wales	25th September 2018 & re-elected 21st September 2021 - 3 years ending 2024
Paul Gibson	Rest of Greater Manchester	21st September 2021 – 3 years ending 2024

*Retired from Governor role during 2021/22

Public Governor Terms of Office Ended during 2021/22:

- Paula King (Rest of Greater Manchester) – stepped down (September 2021)

Elected Staff Governors		
Name	**Staff Class**	**Term of Office**
Prof Ian Pearce	Medical & Dental	22nd September 2020 – 3 years ending 2023
Priscilla Katapa*	Nursing & Midwifery	22nd September 2020 – Stepped down September 2021
Flo Emelone	Non-Clinical & Support	22nd September 2020 – 3 years ending 2023
Geraldine Thompson	Other Clinical	6th December 2017 & re-elected 22nd September 2020 - 3 years ending 2023
John Cooper	Nursing & Midwifery	6th December 2017 & re-elected 24th September 2019 - 3 years ending 2022

Esther Akinwunmi	Other Clinical	24th September 2019 - 3 years ending 2022
Rachel Koutsavakis	Non-Clinical & Support	6th December 2017 & re-elected 24th September 2019 - 3 years ending 2022
Vacant post	Nursing & Midwifery	N/A

*Retired from Governor role during 2021/22

Staff Governor Terms of Office Ended during 2021/22:

- Priscilla Katapa (Nursing & Midwifery) - stepped down (September 2021)

A Nominated Governor may hold office for a period of up to three years, with Governors being nominated by a number of partner organisations and groups:

Nominated Governors		
Name	**Nominating Organisation**	**Term of Office**
Cllr Chris Boyes	Trafford Borough Council	6th December 2017 & re-nominated 22nd September 2020 - 3 years ending 2023
Circle Steele	Manchester BME Network	6th December 2017 & re-nominated 22nd September 2020 - 3 years ending 2023
David Brown	MFT Volunteer Services	22nd September 2020 – 3 years ending 2023
Dr Shruti Garg	The University of Manchester	24th September 2019 - 3 years ending 2022
Cllr James Wilson	Manchester City Council	24th September 2019 - 3 years ending 2022
Bethan Rogers*	MFT Youth Forum	24th September 2019 - Stepped down September 2021
Rev Charles Kwaku-Odoi	Third Sector Umbrella Organisation (currently Caribbean & African Health Network)	25th September 2018 & re-nominated 21st September 2021 - 3 years ending 2024
Lois Dobson	MFT Youth Forum	21st September 2021 – 3 years ending 2024
Vacant post	Manchester Health and Care Commissioning	N/A

*Retired from Governor role during 2021/22

Nominated Governor Terms of Office Ended during 2021/22:

- Bethan Rogers (MFT Youth Forum) - stepped down (September 2021)

Governors can be contacted through our Foundation Trust Membership Office in the following ways:

By post:
Freepost Plus RRBR-AXBU-XTZT
MFT NHS Trust
Oxford Road
Manchester M13 9WL

By phone:
0161 276 8661
(office hours 9am to 5pm, Monday to Friday; answering machine outside these hours)

By email:
ft.enquiries@mft.nhs.uk

Declaration of Interests
The Governors' Declaration of Interest Register is updated on an annual basis and formally recorded at a Council of Governors' meeting. The register discloses the details of any company directorships or other material interests held by Governors. None of our Council of Governors hold the position of Director and Governor of any other NHS Foundation Trust. More information about our Council of Governors and associated register is available on the Trust's website – Meet our Governors webpage (https://mft.nhs.uk/the-trust/governors-and-members/council-of-governors/).

Council of Governor Meetings
Council of Governors' (COG) Meeting dates are promoted on our website (Members' Meetings - https://mft.nhs.uk/the-trust/governors-and-members/members-meetings/).

In keeping with statutory guidance, four Council of Governors' Meetings are usually held each year with meetings being held virtually (video/teleconferencing) throughout 2021/22 in order to meet NHSE/I Guidance (social distancing restrictions/regulations).

Governor participation at Council of Governor Meetings – 2021/22

Governor	Council of Governors' Meetings			
	2021			2022
	12th May	21st July	24th November	9th February
Esther Akinwunmi – Staff Governor (Other Clinical)	✓	x	✓	✓
Dr Syed Ali – Public Governor (Manchester)	✓	x	✓	✓
Ivy Ashworth-Crees – Public Governor (Rest of Greater Manchester)	✓	✓	✓	✓
Chris Boyes – Nominated Governor (Trafford Borough Council)	✓	✓	✓	✓
David Brown – Nominated Governor (Volunteer Services)	x	✓	✓	x
Dr Ronald Catlow – Public Governor (Rest of Greater Manchester)	✓	✓	✓	✓

John W Churchill – Public Governor (Manchester)	✓	x	x	✓
Margaret Clarke – Public Governor (Trafford)	✓	✓	✓	✓
John Cooper – Staff Governor (Nursing & Midwifery)	x	x	x	x
Lois Dobson - Nominated Governor (Youth Forum)			✓	✓
Flo Emelone – Staff Governor (Non-Clinical & Support)	✓	x	✓	x
Dr Shruti Garg – Nominated Governor (University of Manchester)	✓	✓	x	✓
Paul Gibson - Public Governor (Rest of Greater Manchester)			✓	x
Janet Heron – Public Governor (Manchester)	✓	✓	✓	✓
Priscilla Katapa* – Staff Governor (Nursing & Midwifery)	x	x		
Dr Michael Kelly – Public Governor (Manchester)	✓	✓	✓	✓
Ann Kerrigan – Public Governor (Manchester)	✓	x	x	✓
Paula King* – Public Governor (Rest of Greater Manchester)	✓	✓		
Rachel Koutsavakis – Staff Governor (Non-Clinical & Support)	✓	✓	x	✓
Rev Charles Kwaku-Odoi – Nominated Governor (Caribbean & African Health Network)	✓	✓	✓	✓
Sheila Otty – Public Governor (Rest of England & Wales)	x	✓	✓	✓
Prof Ian Pearce – Staff Governor (Medical & Dental)	✓	x	x	x
Colin Potts – Public Governor (Rest of Greater Manchester)	✓	✓	✓	✓
Jane Reader – Public Governor (Trafford)	✓	x	✓	✓
Cllr Julie Reid – Public Governor (Manchester)	✓	x	x	x
Bethan Rogers* – Nominated Governor (Youth Forum)	✓	✓		
Carol Shacklady – Public Governor (Manchester)	✓	✓	✓	✓
Circle Steele – Nominated Governor (Manchester BME Network)	✓	✓	✓	✓
Chris Templar – Public Governor (Eastern Cheshire)	✓	✓	✓	✓
Geraldine Thompson – Lead & Staff Governor (Other Clinical)	✓	✓	✓	✓
Christine Turner – Public Governor (Rest of England & Wales)	✓	✓	✓	✓
Lisa Watson – Public Governor (Manchester)	✓	x	✓	✓

Cllr James Wilson – Nominated Governor (Manchester City Council)	✓	✓	✓	x

*Retired Governor

Key: Not Applicable	✓□- In Attendance	X - Non-Attendance

MFT's Constitution (February 2021), outlines the clear policy and fair process for the removal from the Council of Governors of any Governor who consistently and unjustifiably fails to attend/participate in the meetings of the Council of Governors and makes provision for the disclosure of interests and arrangements for the exclusion of a Governor, declaring any interest, from any discussion or consideration of the matter in respect of which an interest has been disclosed.

In keeping with statutory requirements, at a Council of Governors' Meeting each year, the Trust provides Governors with MFT's Annual Report and Accounts and any report of the auditors on them.

An Annual Report overview is also provided by Directors to members at the Trust's Annual Members' Meeting which was also available to the public to view virtually (website film-clips) from 21st September 2021.

Group Executive Director participation at Council of Governor Meetings – 2021/22

Group Board of Directors	Council of Governors' Meetings			
	2021			2022
	12th May	21st July	24th November	9th February
Angela Adimora – Group Non-Executive Director				x
John Amaechi – Group Non-Executive Director	x	x	x	
Professor Dame Susan Bailey – Group Non-Executive Director	✓	✓	✓	✓
Darren Banks - Group Director of Strategy				
Gaurav Batra – Group Non-Executive Director				x
Dr Ivan Benett – Group Non-Executive Director	✓	x	x	
Peter Blythin – Group Executive Director of HR and Corporate Business	✓	✓	✓	✓
Julia Bridgewater - Group Chief Operating Officer/SRO Hive Programme	✓		✓	

Barry Clare – Group Deputy Chairman/Non-Executive Director	✓	x	✓	x
Kathy Cowell – Group Chairman	✓	✓	✓	
Sir Michael Deegan - Group Chief Executive	✓			
Professor Jane Eddleston - Group Joint Medical Director				
Jenny Ehrhardt - Group Chief Finance Officer	✓	✓		✓
Professor Luke Georghiou – Group Non-Executive Director	✓	x	x	x
Nic Gower – Group Non-Executive Director	✓	✓	x	✓
Gill Heaton - Group Deputy Chief Executive		✓		
Professor Cheryl Lenney - Group Chief Nurse/DIPC		✓		
Chris McLoughlin – Group Senior Independent Director/Non-Executive Director	✓	✓	✓	✓
Miss Toli Onon - Group Joint Medical Director				
Trevor Rees – Group Non-Executive Director	✓	x	x	✓

Key: Not Applicable	✓- In Attendance	X - Non-Attendance

NHSE/I national & local directives sent to all NHS Foundation Trusts dated 28th March 2020; 6th July 2020; 11th January 2021; 26th January 2021 and 24th December 2021 - in terms of 'FT Governors Meetings', MFT has gone over and above the following national guidance issued during the past 12 months which specified that *"Face-to-face meetings should be stopped wherever possible at the current time[1] – virtual meetings can be held for essential matters e.g. transaction decisions. FTs must ensure that governors are (i) informed of the reasons for stopping meetings and (ii) included in regular communications on response to COVID-19, e.g. via webinars/emails."*

This may be a technical breach of foundation trusts' constitution but acceptable given government guidance on social isolation.

Directors can be contacted via the Director of Corporate Services/Trust Secretary by email Trust.Secretary@mft.nhs.uk or telephone 0161 276 4841.

Group Executive Director and Council of Governor Interactions

The Trust Chairman is responsible for leadership of both the Board of Directors and the Council of Governors and makes sure that the views of Governors and members are communicated to the Board. The interaction between the Board of Directors and the Council of Governors is seen primarily as a constructive partnership, seeking to work effectively together in their respective roles.

As set out in NHS England/Improvement's Code of Governance for NHS Foundation Trusts, there is a requirement for a mechanism to be in place to resolve disagreements between the Board of Directors and Council of Governors with MFT's Constitution (February 2021) outlining this process.

Governors in action

The Council of Governors has a number of statutory powers, including the appointment of the Group Chairman, Group Non-Executive Directors and the Trust's External Auditors. The Council of Governors discharges its statutory duties at its meeting of the Council of Governors, which usually meets four times during the course of a year in addition to participating in a fifth statutory event - the Annual Members' Meeting.

Council of Governors' (COG) Meetings

The Council of Governors and Members of the Trust's Board of Directors (Executive and Non-Executive Directors) usually participate in these meetings, which are chaired by the Trust Chairman. Statutory requirements are performed, with associated key presentations being received at meetings.

As outlined in the Governor Declaration of Interest process, any Governor who has an interest in a matter that will be considered by the Council of Governors shall declare such interest to the Council of Governors and:

- shall withdraw from the meeting and play no part in the relevant discussion or decision; and
- shall not vote on the issue (and if by inadvertence they do remain and vote, their vote shall not be counted).

In keeping with MFT's Constitution (February 2021), members of the public may be excluded from all or part of a meeting for special reasons. Outside of the current COVID-19 pandemic, Council of Governors' meetings are usually open to the public and held in two parts: a public part (open to staff/public members in addition to members of the general public) and a private part, which is open to Governors and designated Board members to approve (or not) key appointments.

During 2021/22, as a result of the ongoing COVID-19 pandemic and in keeping with associated NHSI/E's guidance, Governor 'face-to-face' meetings were specifically stipulated to be stood down from the end of March 2020. However, in order to keep Governors updated on key COVID-19 issues, updates were provided to Governors at Council of Governors virtual meetings, which focused on general capacity and demand, infection prevention and control, the NHS Nightingale Hospital North West, vaccine and recovery programmes and financial framework, including MFT's financial year-end position.

Governors were also kept updated on our dedicated workforce and received key information in relation to staff health and wellbeing, including COVID-19 risk assessments, and how the Trust has developed and established new initiatives to support individuals and teams throughout the pandemic. Alongside these key items, Governors received statutory Trust documents/updates i.e. annual report/accounts and associated external auditor report, finances, quality account, recovery planning, and were actively involved in the 2021/22 annual planning process.

Governors were also regularly briefed and appropriately consulted on the North Manchester General Hospital (NMGH) transaction. Governors are also regularly appraised on the ongoing development/progress of the NHS Health & Social Care Bill. Key development information around the progress of the Trust's electronic patient record i.e. Hive, is also regularly reported to Governors.

A key area that Governors sought assurances, on behalf of Members, was in relation to the Trust's recovery programme, with the assurance areas being around patient referrals, diagnostic procedures and out-patient consultations. An overview of the key learning from the COVID-19 pandemic was also provided to Governors.

Governors, throughout the past year, also regularly requested updates in relation to COVID-19 research projects, including new and emerging variants, treatments and testing regimes and BAME support initiatives for staff and the wider community.

In addition, throughout 2021/22, COVID-19 briefings were issued to Governors. Alongside Council of Governors' Meetings, throughout the past year, the Group Chairman, also held virtual 'video/teleconferencing' Governor surgeries/meetings/sessions. A new Chairman's vlog was developed to effectively communicate key messages to Governors.

Continuing to regularly hold 'virtual' meetings with Governors has proved to be extremely beneficial in actively engaging and holding open and transparent discussions and seek appropriate assurances from the Group Chairman and Group Non-Executive Directors (and participating Group Executive Directors).

These meeting arrangements have continued to be successful in providing key information and making sure that the statutory requirements of Governors continue to be fulfilled throughout the ongoing COVID-19 national emergency. A Chairman's Governor Briefing was also regularly circulated to Governors alongside Special Governor Briefings to provide additional key Trust information (in an electronic format) in order to keep Governors fully informed.

Council of Governors' Nominations Committee including Review the Performance of the Group Non-Executive Directors

Each year, Governor feedback is invited via questionnaire and/or Lead Governor contact, in relation to the performance of the Group Chairman and Group Non-Executive Directors, with key findings being directly fed into their respective appraisal process.

Chaired by the Lead Governor, as part of this process, a panel of Governors is also constituted each year (Council of Governors' Nominations Committee), which is supported by the Group Senior Independent Director (in relation to the Group Chairman's 360 degree appraisal process), to receive detailed performance feedback. This Committee, in return, formally reports back to the full Council of Governors (formal Council of Governors' Meeting) the Committee's assurances/recommendations.

Other Council of Governors' Nominations Committees are also held (as and when required) in relation to Group Chairman and Group Non-Executive Directors appointments, terms of office, and remuneration, alongside External Auditor appointments and again report back to the full Council of Governors their assurances/recommendations when seeking statutory approvals at their general meeting (formal Council of Governors' Meetings). More information is available in the Remuneration Report on pages 96 to 99.

New Governor Introduction Session with the Group Chairman and key Trust Officers

All new Governors are invited to participate in an introduction meeting with the Group Chairman (held virtually via videoconferencing in October 2021) alongside Group Non-Executive Directors and fellow Governor colleagues. Key information is provided in relation to the NHS and MFT, including its organisational structure and associated governance and support arrangements, plus MFT's Governor Meeting Framework.

Governor induction arrangements also include providing an overview of the Trust's Risk & Assurance process and Patient Safety, Forward Planning processes People's Plan and Vision & Values. Other ongoing major health programmes e.g. Single Hospital Services – North Manchester General Hospital Acquisition Process are also highlighted. In addition, these sessions provide networking opportunity between new Governors and existing Governor colleagues, with a Governor Buddy system also being established to provide additional support and engagement opportunities.

New Governor Role Training Session

All new Governors are invited to participate in a training session which is facilitated by an external training consultant (and was delivered virtually via videoconferencing in October 2021). This provides in-depth information about the role of an NHS Governor alongside MFT governance arrangements plus the wider NHS landscape.

Governor Training & Development

Several summer and winter Governor development sessions were also held virtually during 2021/22 which, alongside key COVID-19 general and workforce updates, also included key information in relation to the Trust's forward planning process and a detailed annual report and accounts overview, including associated auditor reports. Other development updates were provided around the North Manchester General Hospital transaction and staff health and wellbeing, including LIME Art Initiatives and Mental Health Champions, NHS white paper/integrated care system (Health & Social Care Bill), complaints overview, Freedom to Speak Up Overview, new patient letters/booking system, recovery programme, maternity services, Ockenden Report recommendations and a cancer strategy overview.

Governor training and development sessions will continue to be provided throughout the forthcoming year.

3.3 Staff report

WORKFORCE DEMOGRAPHICS (subject to audit)	31 March 2022		31 March 2021	
	Headcount	% of Total Headcount	Headcount	% of Total Headcount
Staff Group				
Additional Professional Scientific and Technical	1,066	3.7%	1,196	4.8%
Additional Clinical Services	4,866	17.1%	4,448	17.8%
Administrative and Clerical	6,224	21.9%	5,581	22.4%
Allied Health Professionals	1,952	6.9%	1,547	6.2%
Estates and Ancillary*	1,424	5.0%	1,058	4.2%
Healthcare Scientists	940	3.3%	860	3.5%
Medical and Dental	2,526	8.9%	2,160	8.7%
Nursing and Midwifery Registered	9,458	33.2%	7,940	31.9%
Students	23	0.1%	127	0.5%
Grand total	**28,479**	**100%**	**24,917**	**100%**
Full time/part time				
Full time	19,274	69.2%	17,163	68.9%
Part time	8,576	30.8%	7,754	31.1%
Gender				
Female	22,532	79.1%	19,846	79.6%
Male	5,947	20.9%	5,071	20.4%
Disability				
No	20,950	73.6%	18,133	72.8%
Not recorded	6,498	22.8%	5,994	24.0%
Yes	1,031	3.6%	790	3.2%
BME				
BME	6,363	22.3%	5,242	21.0%
Not recorded	2,625	9.2%	2,199	8.8%
White	19,488	68.4%	17,476	70.2%
Age band				
16-20	121	0.4%	113	0.5%
21-30	6,190	21.7%	5,647	22.7%
31-40	7,832	27.5%	6,691	26.8%
41-50	6,560	23.0%	5,762	23.1%
51-60	5,904	20.7%	5,127	20.6%
61+	1,872	6.6%	1,577	6.3%

Staff turnover	1st April 2021 to 31st March 2022	1st April 2020 to 31st March 2021
	13.17%	10.0%

Senior staff gender breakdown	Male	Female
Executive Directors	3	6
Non-Executive Directors	5	4

Staff sickness absence

From the national data sets we are required to report in our Annual Report, MFT staff absence rates from 1st January 2021 to 31st December 2021 are:

- Sickness % 5.65%
- Average working days lost (per wte) 12.7

From our local data sets, our absence rates from 1st April 2021 to 31st March 2022 are:

- Sickness % 5.8% (4.9% for 2020/21)
- Average working days lost (per wte) 20.9 (17.5 for 2020/21)

Staff costs

Full year 2021/22 (audited)

	Total	Permanent	Other
Trust	£000	£000	£000
Salaries and wages	1,076,009	1,075,084	925
Social Security costs	100,980	100,980	
Apprenticeship Levy	4,753	4,753	
Pension cost - defined contribution plans (employer's contributions to NHS pensions)	120,550	120,550	
Pension cost – employer contribution paid by NHSE on provider's behalf (6.3%)	53,631	53,631	
Pension cost - other	0		
Temporary staff - external bank	75,692		75,692
Temporary staff - agency/contract staff	33,474		33,474
Total Trust staff costs	**1,465,089**	**1,354,998**	**110,091**
NHS charitable funds staff	2,153	2,153	
Total Trust and Group Staff costs	**1,467,242**	**1,357,151**	**110,091**

Staff costs

Full year 2020/21 (audited)

	Total	Permanent	Other
Trust	£000	£000	£000
Salaries and wages	928,812	928,812	0
Social Security costs	83,516	83,516	0
Apprenticeship Levy	4,023	4,023	0
Pension cost - defined contribution plans (employer's contributions to NHS pensions)	100,401	100,401	0
Pension cost – employer contribution paid by NHSE on provider's behalf (6.3%)	43,929	43,929	0
Pension cost - other	261	261	0
Temporary staff - external bank	60,262	0	60,262
Temporary staff - agency/contract staff	16,481	0	16,481
Total Trust staff costs	**1,237,690**	**1,160,947**	**76,743**
NHS charitable funds staff	1,497	1,497	
Total Trust and Group Staff costs	**1,239,187**	**1,162,444**	**76,743**

Staff policies and actions applied during the year

Employment of disabled people

The Trust has an Equality and Diversity in Employment Policy, which aims to create a workplace in which people feel valued and can achieve their full potential; whilst ensuring its employment practices are fair to everyone, including people with protected characteristics. The Policy supports leaders, managers, and employees to demonstrate the principles of Equality, Diversity and Inclusion in their everyday activities, roles, and functions. The outcome of the policy is to ensure that people are treated equally with dignity, and their differences are celebrated; and given equal opportunities, such as career progression, training, development and equal pay.

A Reasonable Adjustment Task and Finish Group was established in 2021 to strengthen arrangements for disabled staff and support them more effectively by striving to ensure that the MFT Disability Equality Action Plan is delivered. The plan supports MFT in raising awareness and centralising reasonable adjustments for staff. The Disability Staff Engagement Group members are actively involved in supporting the completion of this plan.

In December 2021, the Trust headquarters, along with all sites across the Trust were lit up purple in support of Purple Light Up Day, which celebrated Disability History Month. The event was planned by members of the MFT Disability Staff Engagement Group, who organised various activities throughout the month, to raise awareness of inclusion of disabled employees in the workplace. The MFT Disability Staff

Engagement Group and Disabled Staff Network play an important role in providing a voice for disabled staff at the Trust and making MFT a more inclusive place to work for current and future disabled employees.
Supported Internships are employment-based courses, giving students with special educational needs and disabilities the opportunity to develop employability skills. They are based in real workplaces and involve working alongside other working people. The Internship prepares learners for employment, builds confidence and abilities, and helps participants to gain independence.

MFT has operated a Supported Internship Programme for over seven years, in partnership with a local non-profit support provider called Pure Innovations, as well as The Manchester College, Trafford College and North Ridge High School. The Trust now hosts up to 40 interns a year across North Manchester General Hospital, Trafford, Oxford Road and Wythenshawe sites, making it one of the largest employer hosts in the country.

Learners undertake several different placements in different departments over the course of an academic year, as well as academic and employability training in a classroom setting on-site. In 2021/22, we have been pleased to be able to welcome our cohort of 32 interns back on to site for the first time following the COVID-19 pandemic and support them into placements in areas across the Trust, including facilities, ward areas, outpatients, and with Sodexo.

The Widening Participation Team have also begun to make links with other supported employment providers, such as Workfit and Breakthrough UK, and look forward to supporting more disabled people into employment with the Trust in 2022/23.

Communicating and consulting with our staff
Following approval of the Strategic Communications Framework, the MFT Communications Team have worked hard to ensure effective and responsive communications and engagement approaches with our diverse staff groups. This has included a key focus on the ongoing pandemic and associated vaccination programme. We have also supported communications around the redevelopment work at North Manchester General Hospital, our new EPR and Hive programmes, and the MFT People Plan.

Ensuring effective employee relations are maintained remains a key objective for MFT. We have a Partnership Agreement that outlines the framework for consultation and collective bargaining, to assist our managers, staff, and Trade Union representatives to work collaboratively and improve working relationships.

Core functions include:

- Facilitating the Joint Negotiating and Consultation Committees for medical and non-medical staff groups
- Developing workforce policies and procedures based on best practice,
- Providing assistance in employee relations matters, e.g. disciplinary, grievance and dignity at work processes

- Consulting and supporting service changes to improve patient care and service delivery.

Looking after our staff (Occupational Health, Health & Safety)
To support our workforce, the Trust provides a comprehensive, proactive, and high performing Employee Health & Wellbeing (EHW) Service, which is SEQOHS accredited and means that the services provided are safe, effective and of a high quality. The accreditation is externally awarded by the Faculty of Occupational Medicine (FOM). Our Employee Health and Wellbeing Service includes our occupational health provision, which is fully integrated within the wider EHW Service offer.

Our internal EHW service offers a wide range of professional services and support for staff and managers that includes both core services and enhanced health and wellbeing programmes.

Core services include:

- Management referral assessments to support attendance and fitness for work
- Advice on rehabilitation and adjustments at work
- Immunisation and vaccination programmes
- Clinical management of staff, who sustain accidental inoculation and contamination injuries
- Workplace risk assessments and health surveillance programmes
- Rapid access interventions, including counselling, psychological therapies, and physiotherapy
- Vaccination campaigns (flu and COVID-19) for all staff
- Health and wellbeing initiatives targeting and raising awareness on specific physical and mental/psychological health issues
- COVID-19-specific programmes relating to staff testing, vaccination and risk assessment advice for managers and staff.

The EHW Psychological Wellbeing and Mental Health Team provides support to individuals and teams on managing under pressure, building emotional resilience and maintaining healthy and effective team working. The Team also delivers a range of services to support teams and individuals following work-related critical incidents and trauma.

An Employee Assistance Programme - EAP (including Counselling Services) - is also in place via an external provider, which provides all staff with access to a range of services that are available 24 hours a day, seven days a week. The service is independent and confidential and provides resources, advice and support on a range of issues and via telephone and an online health portal.

A comprehensive programme of health and wellbeing initiatives is delivered by the EHW service, including a Mental Health First Aider programme, monthly e-packs issued to all managers to address key health issues, the development of a mental health anti-stigma campaign, and embedding of the NHS Health and Wellbeing Framework.

Throughout the pandemic, the EHW service has continued to deliver all core activities in addition to the extra support required due to COVID-19.

Recent initiatives include:

EHW Services Awareness Sessions
In response to the 4th wave of the COVID-19 pandemic and the increasing pressure on all MFT staff, the EHW service arranged 30-minute drop-in awareness sessions to remind staff of the MFT, regional and national offers of support available to them and their teams.

Health and Wellbeing Champions
Health and Wellbeing Champions are individuals from all demographics and roles, who will promote, identify and signpost their colleagues to local, regional and national health and wellbeing support offers. This is intended to be taken on as a responsibility in addition to their day-to-day role. Since the roll-out of the MFT Wellbeing Champions Programme in September 2021, over 220 members of staff have signed up and 127 have completed all three training requirements. Our Wellbeing Champions are embedded across all areas of MFT and work continues to increase numbers.

Mental Health First Aiders
The role of a Mental Health First Aider (MFHA) is to provide initial support and signpost guidance to any employee experiencing difficulties with their mental health whilst at work. MHFAs also play a crucial role in destigmatising mental health problems in the workplace, through raising awareness and promoting national and local campaigns, with the support of the Employee Health and Wellbeing (EHW) Service. As of March 2022, there are 236 trained Mental Health First Aiders across the MFT footprint. Key health and wellbeing updates and information are cascaded via MHFAs, and a peer group supervision meeting takes place quarterly. Plans are in place to continue to increase the number of MHFA using internal MHFA trainers.

In-House Mental Health Service Expansion
Expansion of the mental health service provision has enabled our employees to have access to mental health specialists and associated care pathways. This ensures that employees receive optimal treatment and bespoke interventions delivered by specialists within our EHW Service. By providing early interventions, the service will help to shorten the length of illness, reduce sickness absence, and minimise the risk of chronic illness. By improving the overall wellbeing of our employees, MFT will benefit from reduced sickness absence rates/costs, improved engagement (as staff feel supported at work) and reduced risk of other staff also becoming unwell due to staff pressures causing burnout.

The service will complement the other specialist services provided by the EHW Team, including the management referral service and the musculoskeletal service, providing a multidisciplinary approach to fitness of work assessments and advice. Staff will be able to access services in several ways, including self-referral.

Wellbeing Advocates

Four Wellbeing Advocates are based across localities within the MFT footprint and will work closely with staff in each locality to increase engagement with wellbeing initiatives and help to address the needs of staff during challenging times.
The Wellbeing Advocates will lead on connecting services together to ensure that staff receive the support, advice and guidance they need to be well in work.

Create. Connect. Unwind+
In March 2021, Lime Arts partnered with MFT's EHW Service to deliver a co-ordinated programme of artist-led workshops that were designed to support wellbeing and mental health across MFTs workforce. The workshops were delivered within the Trust's framework to support and care for MFT staff by demystifying the stigma surrounding mental illness.

EHW Leadership Programme
One of the elements of the NHS People Plan Promise is that our workforce should feel supported, safe and secure at work; 'we are healthy'. To achieve the delivery of high quality of care for our patients it is essential that our staff feel supported, valued and motivated. This entails having a strong commitment to the health and wellbeing of individuals and teams, paying particular attention to their mental and physical states as well as ensuring that the environments that they work in are safe.

The EHW service recognise that managers across the Trust play an important part in providing support for staff to maintain their health and wellbeing at work, which will in turn help reduce sickness absence and improve staff satisfaction and engagement. To support MFTs commitment to the NHS People Plan Promise, EHW created a comprehensive EHW Leadership Course. The course aims to equip managers with the necessary training and resources to develop their skills and confidence to support the physical and mental health of their staff, especially when their wellbeing is impacting on work. The one-day course is delivered by Occupational Health professionals and EHW Service Managers.

By attending the course, managers can actively promote and increase engagement from MFT employees in the Employee Health and Wellbeing agenda. Following a successful pilot in December 2021, EHW rolled out the EHW Leadership Course to all staff in a managerial or leadership role, and within 10 days, over 250 members of staff had signed up to one of the 10 sessions planned for 2022. Further dates to meet the growing demand are being planned from June 2022 through to the end of the financial year.

Rapid Access Physiotherapy Services
In October 2021, MFT received funding from NHS E/I as part of a programme of service enhancements to be delivered under the National NHS England/NHS Improvement Growing OH (Occupational Health) Programme. MFT are one of the four national 'trailblazers', supporting the development of the national five-year strategy for Growing OH and Wellbeing within the NHS.

The MFT EHW programme is aimed at improving current musculoskeletal sickness absence rates and supporting employees to improve their physical and psychological wellbeing in work by providing them with timely access to physiotherapy advice and treatment.

In December 2021, the EHW service launched an enhanced rapid access physiotherapy service available to all MFT staff, who are either off work with a musculoskeletal issue or in work, but struggling with their condition. Employees are triaged by an occupational health physiotherapist through a virtual appointment, within 48 hours of making their self-referral. They will either be signposted to self-help management materials, provided with virtual physiotherapy appointment(s) or if clinically indicated, will receive face-to-face physiotherapy at their closest EHW physiotherapy clinic.

The launch of this enhanced physiotherapy service completes phase one of the Growing OH programme. Work is now underway to deliver phase two of the programme, which will focus on delivering day one sickness absence advice and treatment services.

Health and Safety
Health and safety is an integral part of everything we do. It is embedded into all levels of the Trust's management and operational structures to ensure, so far as is reasonably practicable, the health and safety of staff and others whilst working at or visiting MFT.

The Group Strategic Health, Safety and Wellbeing Committee was suspended due to a change to the Chair and operational pressures during the pandemic. This has now been re-established and is chaired by the Group Executive Director of Workforce and Corporate Business. This is supported by the Group Operational Health, Safety and Wellbeing Committee, which continues to meet on a quarterly basis and maintained oversight of health and safety matters whilst the Strategic Committee was stood down. The Operational Committee includes representation from all Hospitals/MCSs/LCOs and is chaired by the Group Director of Clinical Governance. Hospitals/MCSs/LCOs have separate health and safety forums that report into the Operational Committee and into their own Management Boards.

There are clear health and safety policies and guidelines relating to key areas of risk, and local processes for implementation of control measures to mitigate risks to health and safety. Ten health and safety policies have been reviewed, approved and ratified within the last 12 months. A further five health and safety policies are scheduled for review over the next year as part of the Health, Safety and Wellbeing Committee workplan.

The annual health and safety audit monitors performance across the Trust against policy requirements. This audit was completed in June 2021 and demonstrated good levels of compliance. Where any risks or opportunities for change and improvement were identified, Hospitals/MCSs/LCOs have developed and implemented targeted improvement plans.

The past two years have been particularly challenging, but staff have been continually supported throughout the COVID-19 pandemic with the completion of local service-based risk assessments and individual employee risk assessments to

ensure that risks presented by the pandemic are mitigated and national guidance is complied with.

Supporting our staff to Speak Up
The Freedom to Speak Up (FTSU) Team at MFT provide confidential, impartial support to staff, students and volunteers, who need to raise concerns about patient safety, staff safety or their experiences at work.

The MFT Lead Freedom to Speak Up Guardian, Karen Hawley, is supported by a further FTSU Guardian, Joanne Williamson, who also works clinically at NMGH, and a diverse team of more than 50 FTSU Champions across each Hospital / MCS / LCO and Corporate areas. The FTSU Champion's role is to raise awareness of FTSU, role model speaking up and listening up behaviours, and they may also be the first port of call for somebody who needs advice, support or signposting to raise concerns.

The Trust will be continuing to recruit more champions in 2022. with a particular focus on ensuring that the Managed Clinical Services have FTSU Champion representation across all their sites. Applications from any staff member to join the FTSU network are welcomed.

The FTSU Team aim to support a culture whereby speaking up is 'business as usual' and where issues raised are welcomed and seen as valuable information for learning and improvement. They will thank staff for speaking up and can escalate matters via the FTSU Guardian, if needed, ensuring that any feedback or lessons learned are shared. Individuals are also asked to provide feedback about their experiences of contacting the FTSU team to inform further work.

The FTSU Guardian works collaboratively with other areas, such as Clinical Governance, Human Resources, Health & Wellbeing, ED&I and Organisational Development, among others, to support a 'speak-up', 'listen-up', 'follow-up' culture. The Team are proactive in visiting staff meetings or huddles to raise awareness of FTSU and have carried out several staff drop-in sessions and listening events. October is Freedom to Speak Up Month and provides an opportunity to raise awareness of the importance of how much speaking up is valued at MFT. A number of activities took place throughout October 2021, which included the launch of a video which can be viewed here:

https://vimeo.com/nicecatmedia/download/617904337/03e0fd7354

Staff across MFT were asked to have conversations about speaking up, listening up and following up, and to make a pledge. Pledges were made during FTSU walk rounds and by staff creating FTSU displays for their areas. A selection is shown below:

To ensure staff have access to Speaking Up and Listening Up training, FTSU have launched two eLearning platforms that are available on the MFT Learning Hub - Speak Up is for anyone working at MFT and looks at what speaking up is, why it matters and helps understanding of what to expect when raising concerns. Listen Up

is for anybody in a line management role and focuses on listening to concerns and understanding the barriers that may exist to speaking up.
A third platform, Follow Up, is due to be launched by the National Guardian's Office and Health Education England in 2022 and will be added to the profile of FTSU courses on the MFT Learning Hub.

Trade Union Facility Time disclosures
The following information was submitted to the Government Trade Union Facility Time Publication Service in line with the Trade Union (Facility Time Publication Requirements) Regulations 2017: The information below is for 2020/21 as the 2021/22 data is not submitted until 31st July 2022.

Relevant union officials

Number of employees who were relevant union officials during the relevant period (01/04/20-31/03/21)	**Full-time equivalent employee number**
35	33.58

Percentage of time relevant union officials spent on facility time

Percentage of time	**Number of employees**
0%	6
1-50%	27
51%-99%	1
100%	1

Percentage of pay bill spent on facility time

Description	**Amount**
Total cost of facility time	£125,297.35
Total pay bill	£1,158,155,000
Percentage of the total pay bill spent on facility time Calculated as: (total cost of facility time ÷ total pay bill) x	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: *(Total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ Total paid facility time hours)* x 100	5.69%

Consultancy and other costs
During the year, MFT spent £3.3 million on consultancy (£6.96 million in the year to 31st March 2021).

Staff exit packages
Please see the Remuneration Report on page 109 for details.

Off payroll engagements
MFT seeks assurance about the tax arrangements of individuals engaged off-payroll and the information is recoded centrally. No individuals with significant financial responsibility will be engaged off-payroll. The Trust has a policy in this area that reflects HMRC IR35 Guidance along with best practice guidance from the Healthcare Financial Management Association.

MFT applies rigorous controls to all aspects of discretionary spend, including consultancy support that would potentially be captured as 'off-payroll.' All proposed engagements are reviewed and IR35 compliance confirmed prior to commencement.

The following tables apply to all off-payroll appointments engaged at any point during the year ended 31st March 2021 and earning more than £245 per day.

Highly-paid off-payroll worker engagements at 31 March 2022

No. of existing arrangements as of 31st March 2022	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

Number of off-payroll workers engaged during the year ended 31st March 2022	0
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
Number of engagements reassessed for compliance or assurance purposes during the year	45
Of which: number of engagements that saw a change to IR35 status following review	0

Staff engagement - our approach

The annual National Staff Survey is one of the Trust's primary methods by which organisational culture is measured. This will measure how well we support the well-being of our workforce, whether they feel sufficiently supported to enable each member of our staff to reach their full potential. This is essential to maintaining improved organisational performance.

Our overall aim is to develop a compassionate, inclusive and high-quality care culture that is underpinned by exemplary leadership and ensures the best outcomes for people, improving the health of our local population.

The MFT approach to staff engagement combines Group level strategy and activities, with our hospitals, Managed Clinical Services and Local Care Organisations leading on the development of staff engagement locally.

To enable a more interactive and dynamic staff engagement and experience MFT has recently introduced a technology-based solution through a staff experience digital platform. The OpenDoor platform offers a peer-to-peer recognition functionality "Shout Outs" which enables staff to recognise their peers through an easily accessible digital platform. The platform also supports the quantitative measure of staff engagement and staff experience through pulse surveys. OpenDoor enables access to real time data at local and organisational level which can help identify key issues where support and actions can be put in place immediately. This can be best described as staff experience.

Staff provide feedback on their experiences through their local team structure and through surveys. Our OpenDoor digital platform will enable us to offer real time tracking and insights into local surveys which are accessible at group and local level to ensure responsive and appropriate actions are carried out at the right time.

NHS Staff Survey

Since 2017, the annual staff survey has been complemented by the use regular pulse surveys. Since 2021, the National Quarterly Pulse Survey has been implemented as a mandatory requirement for trusts to collect data in Quarter 1, 2 and 4 and to ask all staff the nine engagement theme questions from the National Staff Survey. The aim is for all staff to have the opportunity to feed back their views on their organisation every quarter.

From 2021 the survey results are aligned to the People Promise in line with the commitment in the 2020/21 People Plan. First published in July 2020 as part of **People Plan 2020/21: action for us all**, the People Promise sets out in the words of the NHS people what to expect from leaders and each other to make the NHS the workplace where people want to stay, to stay well, and where others want to join.

The people best placed to say when progress has been made towards achieving this are the NHS people. To track this, the People Promise will be integrated with the annual national NHS Staff Survey from 2021 to ensure colleagues' voices are heard. Therefore, the survey results are now measured against the seven People Promise elements and two previous 'themes' (Staff Engagement and Morale).

The people who work in the NHS are best placed to say when progress has been made towards achieving the NHS People Promise. From 2021 everyone's answers will be used to better understand what it is like at the moment and where more change is needed.

The results from questions are grouped to give scores under the 7 People Promise elements and 2 themes of Staff Engagement and Moral. These indicator scores are based on a score out of 10 for certain questions, with the indicator scores being the average of those.

The response rate to the 2021 survey amongst Trust staff was 30%, compared to 33% in 2020. The number of completed questionnaires for 2021 was 7951, an increase from 7421 in 2020.

Summary of Performance

Following the 2020 staff survey, the 2021/22 priority areas for improvement focused on the key themes where the Trust had either deteriorated since 2019 or where results were below our sector benchmark group, and as agreed with the Group Board of Directors:

- Equality, Diversity and Inclusion
- Immediate Managers
- Morale
- Staff Engagement
- Teamworking

Two themes show a statistically significant improvement on 2019:

- Health and Wellbeing
- Safe Environment – violence

Since the 2020 staff survey results several workstreams have been introduced to complement the NHS People Plan and align to our MFT People Plan with the focus on the lived experience of staff, and supporting policy, practice and leadership to be more compassionate and inclusive.

Due to the changes in the reporting in line with the People Promise elements, historical comparisons cannot be made at a theme level with the exception of Staff Engagement and Morale.

The benchmarking group is 'Acute and Combined Acute and Community Trusts'.

The benchmarking data is taken from reports supplied by the Survey Co-ordination Centre (SCC). MFT People Promise elements and theme scores are within 0.1 (rounded) of the sector average for all elements with the exception of *We work flexibly* which is within 0.2.

	2021/22	**2021/22**	**2020 NSS**
	MFT	Benchmarking Group	No comparable score
We are compassionate and inclusive	7.1	7.2	
We are rewarded and recognised	5.7	5.8	
We each have a voice that counts	6.6	6.7	
We are safe and healthy	5.8	5.9	
We are always learning	5.1	5.2	
We work flexibly	5.7	5.9	
We are a team	6.5	6.6	
Staff Engagement	6.7	6.8	7.0
Morale	5.6	5.7	6.0

2019/20 and 2020/21

Scores for each indicator together with that of the survey benchmarking are presented below. (The categories used by the National Staff survey in previous years are different from the categories introduced in 2021/22 which are included in the table above).

	2020/21		**2019/20**	
	Trust score	Benchmarking group score (Acute and Acute and Community Trusts)	Trust score	Benchmarking group score (Combined acute and Community Trusts)
Equality, diversity and inclusion	9.0	9.1	9.1	9.2
Health and wellbeing	6.1	6.1	6.0	6.0
Immediate managers	6.7	6.8	6.9	6.9
Morale	6.1	6.2	6.2	6.2
Quality of appraisals	Theme not included this year		5.5	5.5
Quality of care	7.5	7.5	7.4	7.5
Safe environment – bullying and harassment	8.2	8.1	8.2	8.2

Safe environment – violence	9.6	9.5	9.6	9.5
Safety culture	6.8	6.8	6.8	6.8
Team working	6.5	6.5	6.6	6.7
Staff engagement	7.0	7.0	7.1	7.1

An overview of the 2021 survey results, publicly available from 30/03/22, will be undertaken by the Group Executive Director of Workforce and Corporate Business in the context of existing workforce policies and initiatives including the MFT People Plan. The work will involve Group Executives, senior leaders across MFT and Staff Side colleagues. The 2021 results will also be included in Accountability Oversight Framework discussions led by the Group Director of Operations with the support of Group Executive Directors.

In addition, the results have been disseminated to Hospitals / MCSs / LCOs and Corporate Leadership Teams to consider, reflect and develop action plans. Within the presentations for 2021 an additional supporting slide highlighting several key points to consider has been included to help the leadership teams drive local activity and identify areas the leadership teams may wish to focus on. Actions plans are now aligned to localised versions of the MFT People Plan, "*All here for you, Together we can*".

To support a consistent approach to action planning and goal setting, a '*Staff Survey Action Plan Playbook*' has been created which supports leaders and managers to work through a four-stage process in developing their plans. The *Playbook* includes how to lead staff engagement, the four enables of engagement, how to develop staff survey action plans, example actions and resources and action plan templates. This collection of resources enables local Hospitals / MCSs / LCO / Corporate to take ownership of their data and produce evidence-based plans that can be directly measured at a cultural level through agreed staff engagement indicators.

A key delivery of the MFT People Plan has been the introduction of the new staff engagement and recognition system *OpenDoor*. This digital engagement and recognition platform will allow for a clear focus on the areas that need to be improved from the staff survey results, through the MFT Big Conversations. This will enable more focus on local activity and allow for responsive instant action at a local level and having the opportunity to share those actions to staff immediately, at both a local and organisational level, through appropriate feedback and communication channels.

In addition, there will be a clear focus on bullying, harassment and abuse through the *Choosing Kindness Programme*. This will support wider workstreams including *Putting People First, Civility Saves Lives, and a Just Culture*. The Staff Survey results from both 2020 and 2021, benchmarked against Regional and National contexts, have provided clear areas of strength and development to feed into these programmes of work.

The MFT leadership and culture programme of work that underpins the MFT People Plan has been updated in-line with national changes and based on MFT Staff Survey insights to ensure a targeted measurable approach is taken to embedding a culture of compassion, inclusion and staff engagement.

A new MFT line manager framework, Managing@MFT, has been introduced which will help and support line managers at all levels to understand the expected standards as well as access to the learning, resources and support capacity and capability. This will support the *We are always learning* People Promise element in supporting all staff in their development through the appraisal system.

With the introduction of MFT's new digital platform, OpenDoor, this will enable us to recognise and respond to staff feedback on their experience of working at MFT much more quickly than before and will be available 24/7. This will be used to support staff recognition as well as deliver staff experience surveys.

Feedback on staff experience and staff engagement will continue to be measured though the use of local pulse surveys, the mandated National Quarterly Pulse surveys each quarter and the annual National Staff Survey.

3.4 NHS FT Code of Governance disclosures

Manchester University NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The MFT Board of Directors and Council of Governors are committed to continuing to operate according to the highest corporate governance standards.

In order to do this, the Board of Directors:

- Meets formally on a bi-monthly basis in order to discharge its duties effectively. Systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery
- Regularly reviews the performance of the Trust against regulatory and contractual obligations and approved plans and objectives. Relevant metrics, measures and accountabilities have been developed in order to assess progress and delivery of performance
- Has a balance of skills, independence and completeness that is appropriate to the requirements of the Trust

All Directors have a responsibility to constructively challenge the decisions of the Board. Group Non-Executive Directors (NEDs) scrutinise the performance of the Group Executive management in meeting agreed goals and objectives and monitor the reporting of performance.

Where a Board member does not agree to a course of action it would be minuted. Should this occur, the Group Chairman would then hold a meeting with the Group Non-Executive Directors with the Executive Directors present. If the concerns could not be resolved, this would be noted in the Board minutes.

Group NEDs are appointed for a term of three years by the MFT Council of Governors. The Council of Governors can appoint or remove the Group Chairman or the Group NEDs at a general meeting. Removal of the Group Chairman or another Group Non-Executive Director requires the approval of three-quarters of the members of the Council of Governors.

The Group Chairman ensures that the Board of Directors and the Council of Governors work together effectively, and that Directors and Governors receive accurate, timely and clear information that is appropriate for their respective duties.

The Council of Governors:

- Represents the interests of the Trust's members and partner organisations in the local health economy in the governance of the Trust
- Acts in the best interests of the Trust and adheres to its values and code of conduct
- Holds the Board of Directors to account for the performance of the Trust and receives appropriate assurance and risk reports on a regular basis.

Our Governors are consulted on the development of forward plans for the Trust and any significant changes to the delivery of the Trust's business plan.

The Council of Governors meets on a regular basis (and 'virtually' throughout the 2021/22 COVID-19 pandemic) so that it can discharge its duties, and the Governors elected the Lead Governor (Geraldine Thompson) for a second term in November 2021. The Lead Governor's main function is to act as a point of contact with NHSI, our independent regulator.

The Directors and Governors continually update their skills, knowledge and familiarity with the Trust and its obligations, to fulfill their role on various Boards and Committees.

Our MFT Constitution (last reviewed and updated in February 2021 and available at https://mft.nhs.uk/the-trust/the-board/mft-constitution/), was agreed and adopted by the Council of Governors. It outlines the clear policy and fair process for the removal from the Council of Governors of any Governor, who consistently and unjustifiably fails to attend the meetings of the Council of Governors, or has an actual or potential conflict of interest that prevents the proper exercise of their duties.

The performance review process of the Group Chairman and Group NEDs involves the Governors. The Senior Independent Director supports the Governors through the evaluation of the Group Chairman. Each Group Executive Director's performance is reviewed by the Group Chief Executive who, in turn, is reviewed by the Group Chairman. The Group Chairman also holds regular meetings (virtual during 2021/22) with Group NEDs without the Executives present.

Independent professional advice is accessible to the Group NEDs and Trust Board Secretary via the appointed independent External Auditors and a Senior Associate at a local firm of solicitors. All Board meetings and Board Sub-Committee meetings receive sufficient resources and support to undertake their duties.

The Group Chief Executive ensures that the Board of Directors and the Council of Governors of MFT act in accordance with the requirements of propriety or regularity. If the Board of Directors, Council of Governors or the Group Chairman contemplated a course of action involving a transaction, which the Group Chief Executive considered infringed these requirements, he would follow the procedures set by NHSI for advising the Board and Council for recording and submitting objections to decisions. During 2021/22, there have been no occasions on which it has been necessary to apply the NHSI procedure.

MFT staff are also required to act in accordance with NHS standards and accepted standards of behaviour in public life. The Trust ensures compliance with the Fit and Proper Person (FPP) requirement for the Board of Directors. All existing Directors completed a self-declaration, and this exercise is repeated annually. All new appointments are also required to complete the self-declaration, and the full requirements of the FPP test have been integrated into the pre-employment checking process.

The Trust holds appropriate insurance to cover the risk of legal action against its Directors in their roles as directors and as trustees of the MFT Charity.

Relationship with stakeholders and duty to co-operate
MFT has well-developed mechanisms for engagement with third party bodies at all levels across the organisation. They include regular arrangements, such as standing meetings, and time-limited arrangements set up for a specific purpose.

Greater Manchester (GM) Devolution has continued to significantly change the landscape and a well-established set of governance arrangements ensure co-operation and close working across the whole of the GM health and social care system.

The Board ensures that effective mechanisms are in place and collaborative and productive relationships are maintained with stakeholders through:

- Direct involvement – e.g. attendance at Board–to–Board and Team-to-Team meetings, and at Partnership Board meetings
- Chair involvement – e.g. attendance at Manchester Health & Wellbeing Board
- Feedback – e.g. from the Council of Governors and, in particular, Nominated Governors
- Board updates on strategic development
- Board Assurance report - delivery of key priorities (many of which rely on good working relationships with partners)

The following information describes some of the arrangements we have in place with our key stakeholders.

Commissioners
Effective mechanisms to agree and manage fair and balanced contractual relationships include:

- A range of executive team–to–executive team and board–to–board meetings with key commissioners:
    - Manchester Health and Care Commissioning
    - The Christie
- A dedicated Contracts and Income Team that liaises between the Trust, our hospitals and commissioners

Other providers
The GM Provider Federation Board, which is part of the GM Devolution arrangements, facilitates joint and joined-up working across all GM providers. In addition to this, MFT has established partnership boards with other providers, such as Alder Hey NHS Foundation Trust, which have representation from Executive and Non-Executive Directors.

City of Manchester (NHS and Manchester City Council)
Collaborative working arrangements exist across the City Council, the providers and the CCGs. They include:

- **Health and Wellbeing Board** - Manchester Health and Wellbeing Board brings together representatives from Manchester City Council, acute Trusts, CCGs, the mental health Trust, Public Health and Healthwatch
- **Manchester Partnership Board** - brings together acute Trusts, GP federations, pharmacy, mental health Trust, Manchester City Council and the voluntary sector, all working together on the development of out-of-hospital services

Academic institutions
The Trust has a strong relationship with its key academic partner, The University of Manchester (UoM), and there are joint committees that support activities, such as clinical appraisals, research and education.

MFT has function links with Manchester Metropolitan University and Salford University to support training of nurses, allied health professionals (AHPs) and scientists, and some specific research collaborations.

The Trust is a founder member of the Manchester Academic Health Science Centre, which brings together research-active hospitals and UoM to deliver improvements in healthcare, driven from a platform of research excellence.

Health Innovation Manchester, whose remit is to drive forward the adoption of innovations to improve healthcare, is located in Citylabs on our Oxford Road campus. It was established in 2015/16 to create a compelling shop window for external stakeholders and potential customers to access the Greater Manchester NHS ecosystem and MFT has representation on the governance board.

Industry
The Trust has a range of industry interfaces that encompass both large corporates and SMEs. These collaborations and partnerships enable us to acquire new equipment, facilities and services using a shared risk approach.

Our approach to selecting and securing our industry partners is to choose the best partner to help us to further improve our delivery of care and business efficiencies. For example, the Trust has a 10-year relationship with Bruntwood to provide a range of property and estates-related services. We also have a long-term agreement with Roche to provide laboratory equipment (diagnostics) and Fresenius for renal services.

The Trust and Manchester Science Partnerships has worked together to develop the next phase of the Citylabs development on the former Saint Mary's site. The Trust and Manchester Science Partnerships has worked together to develop the next phase of the Citylabs development on the former Saint Mary's site. The £60 million, 220,000sq ft expansion was completed during the 2020/21 financial year. It now houses SMEs and large companies that are developing new products and services relevant to our core services, including laboratory diagnostics, genomics, digital health and clinical trials. A major collaboration with global diagnostics firm, QIAGEN, has seen the company making Citylabs its base, bringing jobs and investment to Manchester.

Education
MFT was the lead sponsor of Manchester Health Academy in Wythenshawe. The MFT Chairman, Mrs. Kathy Cowell, chaired the Academy's governing body, but the arrangements came to an end during the 2021/22 financial year.

The links with MFT helped to promote further career opportunities for students. They benefited from access to a comprehensive range of NHS expert practitioners and their working environment. Students not only had the opportunity to gain insights into the career opportunities in the medical, clinical, nursing and technical health areas, but also to access the diverse support trades and services essential to the life of MFT.

3.5 NHSE/I System Oversight Framework

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

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

Based on information from these themes, providers are segmented from 1 to 4, where 4 reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. 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.

Segmentation
The Trust has been placed in segment 2 by NHS England. This segment is the Trust's position as at May 2022. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/

3.6 Statement of Accounting Officer's responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Manchester University NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions that require Manchester University 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 Manchester University NHS Foundation Trust, and of its income and expenditure, other items of comprehensive income and cashflows for the financial year.

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

- Observe the Accounts Direction issued by NHS Improvement, 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 an ongoing concern basis and disclose any material uncertainties over going concern

The Accounting Officer is responsible for keeping proper accounting records that 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 Manchester University NHS 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*.

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

3.7 Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Manchester University NHS Foundation Trust's (MFT) 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 by the MFT Constitution (February 2021). I am also responsible for ensuring that MFT is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities, as set out in the *NHS Foundation Trust Accounting Officer Memorandum.*

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Manchester University NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Manchester University NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Since the end of the 2021/22 financial year, an IT outage at the Northern Care Alliance has impacted on IT systems at North Manchester General Hospital. This has been managed as a Business Continuity incident under MFT's existing Emergency Planning, Resilience and Response framework, with the tactical response being led by the Senior Leadership team at the hospital working closely with the Northern Care Alliance's leadership team

At the start of April 2021, MFT continued to be in the escalation phase of the pandemic, continuing work that had begun in the last financial year. A robust command and control (EPRR) framework was in place to provide the effective leadership and fast decision-making needed as the pressure on MFT and the wider Greater Manchester health economy, particularly demand on critical care, intensified (with the MFT Group Director of Operations undertaking the role of MFT Gold Commander). The principles that underpinned every aspect of MFT's response were that it must be 'Safe', 'Effective', 'Caring', 'Responsive' to people's needs and 'Well Led'.

Capacity to handle risk

The Trust is committed to the principles of good governance and understands the importance of effective risk management as a fundamental element of its governance framework and system of internal control. We recognise that healthcare provision, and the activities associated with caring for patients, employing staff, providing premises and managing finances are all, by their very nature, risk activities and will therefore involve a degree of risk.

These risks are present on a day-to-day basis throughout the Trust. We take action to manage risk to a level that is tolerable. We acknowledge that risk can rarely be totally eradicated, and a level of managed residual risk will be accepted. Risk management is therefore an intrinsic part of the way we conduct business, and its effectiveness is monitored by both our performance management and assurance systems.

As Accounting Officer for the Foundation Trust, I have overall responsibility for ensuring effective risk management arrangements are in place. I am supported by the Director of Corporate Business and Trust Board Secretary and the Director of Clinical Governance. The Director of Clinical Governance and develops and manages the corporate approach to the management of risk, including the Risk Management Strategy, and the Director of Corporate Business supports the use of the Board Assurance Framework (BAF).

I routinely use the BAF, the Foundation Trust's risk register, internal audit, the local counter fraud service, and external audit to ensure proper arrangements are in place for the discharge of our statutory functions, as well as to detect and to act upon any risks and ensure that the Foundation Trust is able to discharge its statutory functions in a legally compliant manner. I also delegate some key responsibilities to other Executive Directors. In addition, for selected roles there is an identified Non-Executive Director sponsor.

The Trust provides a comprehensive mandatory training programme, which includes governance and risk management awareness and training. Training is delivered centrally and within individual organisations within the Trust. Training can be classroom-based with internal or external trainers, web-based or 'in-situ'; this sort of training often being developed following identification of potential risk in the way that care is being delivered through learning from incidents or proactive risk assessments. The Trust also has a clear commitment to individual personal development, and through all these mechanisms staff are trained and equipped to identify and manage risk in a manner appropriate to their authority, duties and experience.

The governance and risk management training programme is reviewed annually by the Director of Clinical Governance to ensure that it remains responsive to staff needs. There is regular reinforcement of the requirements of the Mandatory Training Policy, and the duty of staff to complete training deemed mandatory for their role is a key element of the annual appraisal process. Monitoring and escalation arrangements are in place to enable the Trust to ensure targeted action in relation to areas or staff groups where performance is not at the required level.

We have continued with our focus on developing awareness and skills in relation to high quality and focused risk assessments and business continuity planning, amongst both clinical and non-clinical staff. An Integrated Governance and Risk Committee was established during 2021/22 and is supporting this work.

Existing governance arrangements at Group Board and Sub-Board level continued to be refined and adapted throughout 2021/22.

There continue to be clear descriptions of accountability and responsibility throughout the organisation, designed to maintain good governance, despite the additional challenges and pressures presented by the ongoing pandemic. The governance infrastructure of the Trust during 2021/22 is presented on page 89.

The risk and control framework

We are committed to demonstrating an organisational philosophy that ensures risk management is aligned to strategic objectives, clinical strategy, business plans and operational management systems. We recognise that the specific function of risk management is to identify and manage risks that threaten our ability to meet our strategic objectives. We are clear, therefore, that understanding and responding to risk, both clinical and non-clinical, is vital in making the Trust a safe and effective healthcare organisation. We will identify risk as either an opportunity or a threat, or a combination of both, and will assess the significance of a risk as a combination of probability and consequences of the occurrence. All of our staff have a responsibility for identifying and minimising risk. This will be achieved within a progressive, honest and open culture where risks, mistakes and incidents are identified quickly and acted upon in a positive way.

The Trust's Risk Management Strategy 2019-2021 was reviewed in Quarter 3 of 2021/22, and a short extension was approved by the Group Risk Oversight Committee to allow a more detailed and focused review during Quarter 4 2021/22 aligned to approval of revised Strategic Objectives for 2022/23. The strategy describes an integrated approach to ensure that all risks to the achievement of the Trust's objectives, are identified, evaluated, monitored and managed appropriately. It defines how risks are linked to one or more of the Trust's strategic or operational objectives, and clearly defines the risk management structures, risk tolerance, accountabilities, and responsibilities throughout the Trust.

During 2021/22, an independent Internal Audit (review) was commissioned to provide assurance in relation to the effectiveness of the implementation of the Trust's Risk Management Strategy. This resulted in an assurance rating of 'significant assurance with minor improvement opportunities'.

The responsibilities of each Executive Director in relation to the implementation of the Risk Management Strategy are detailed below with particular focus on assurance provided during 2021/22:

Group Deputy Chief Executive

- Assumes responsibilities for the Group Chief Executive in his absence.
- Responsible for developing integrated care across acute, community and local authority boundaries with the City of Manchester.

During the 2021/22 COVID-19 pandemic, the Group Deputy CEO has:

- Represented the Trust on the Manchester Community Cell, which has representation from all of the external partners including Manchester City Council, Primary Care, Greater Manchester Mental Health Trust, the LCO and our Clinical Commissioning Groups

- Co-chaired the Manchester Accountability Board alongside the Executive Member for Health for the Local Authority. This meeting holds the partners across the Manchester system to account for delivery of the objectives of the Local Care Organisation across the key partners in Primary Care, Adult Social Care, Mental Health Services and the Acute Sector
- Through the delegated authority of the Group CEO, provided resilience and support to the Hospitals/MCS wherever it may have been needed
- Stepped in as interim Chief Executive of WTWA in the absence of the substantive postholder

Group Chief Operating Officer (COO)

- Responsible for the successful delivery of clinical operations in the Trust, playing an active role in the determination and implementation of corporate strategies and plans
- Has responsibility for four key elements:
    - Operational leadership of all hospitals and services
    - Performance management and delivery of all national and local targets
    - Modernisation and process redesign of Trust clinical and business processes
    - Business continuity management (including emergency planning)

- Provides effective management of the Trust on a day-to-day basis, ensuring the provision of appropriate, effective high-quality patient-centered care that meets the needs of patients and can be achieved within the revenues provided
- Chaired the Hospital/MCS/LCO CEO Forum and the Trust Cancer Committee until September 2021 when the Group Director of Operations took over
- Contributes to the development and delivery of the wider Trust agenda, including implementation of the Trust's strategic vision
- Senior Responsible Officer for the HIVE Electronic Patient Record programme

During the 2021/22 COVID-19 national emergency, the COO especially ensured that:

- The Operations portfolio has led the MFT pandemic response from Wave 1 through to recovery. This has been driven through the use and development of our Emergency Preparedness, Resilience & Response (EPRR) plans and protocols, with a clear regime of daily and weekly meetings, ensuring that Trust services were adapting in line with the pandemic response
- Throughout the recovery period, the Trust's operational processes have focused on the appropriate treatment of patients, based on clinical priorities, and maximising availability of services through new models of care
- All transformation and operational teams are focused on delivering against the operational and recovery outputs, with clear reporting and accountability links through the EPRR structure

- The HIVE Programme is on track to achieve the go-live date in September 2022

Group Chief Nurse/Director of Infection Prevention & Control

- Responsible and accountable for leading professional nursing, patient experience and engagement
- The Trust's Director of Infection Prevention and Control (DIPC)
- Chairs the Group Infection Control Committee and Group Safeguarding Committee
- Responsible for ensuring compliance with statutory requirements, regarding safeguarding children and vulnerable adults

During the 2021/22 COVID-19 pandemic, the Group Chief Nurse/DIPC has:

- Led the Trust's IPC response to the pandemic. Assurance meetings have continued to take place throughout the year with the Hospitals/MCS/LCOs. Specific task and finish groups were set up to steer the expert IPC response, including an Expert Clinical Group working alongside the Clinical Sub-group reporting into the EPRR strategic group on all matters relating to IPC
- Systems were put in place to support the redeployment of clinical staff to safely support the critical care response, Staff received appropriate education, skills training, and support to function in unfamiliar clinical areas. During and at the end of the year, staff were safely redeployed back to their base areas and supported with reflective opportunities for their health and wellbeing. Principles of safe staffing were adhered to; based on temporary revised national guidance
- MFT's COVID-19 vaccination programme has ensured that, as at March 2022:
    - 93.9% of staff have received their 1st vaccine
    - 91.09% have received their 2nd dose
    - 72.8% of staff have had their booster vaccination
    - 100% of MFT staff have been offered the vaccination
- Quality of care was measured through a revised programme and forms part of the quality and patient experience report, as a result of the number of changes to ward bases, case mix and reconfiguration of services
- Contact, information and assurance was provided to CQC officers on all matters relating to clinical quality, patient experience and patient safety. Preparation for transitional monitoring arrangements by the CQC was completed in a timely manner and assurance on the national IPC ten-point plan
- Safeguarding assurance meetings and activities continued throughout including education and training to safeguard our most vulnerable patients.

Group Chief Finance Officer (CFO)

- Responsible for the wide range of interrelated work programmes around finance, contracting, information and strategic planning
- Responsible for developing and overseeing delivery of financial plans across the Trust for current and future financial years, ensuring they are integrated with operational and service delivery requirements

- Responsible for acting in MFT's best financial interests as part of the Greater Manchester Health & Social Care Partnership
- Holds regular meetings with local commissioners and the North West Specialised Commissioning Team, maintaining dialogue across service delivery and planning issues, including forward projections, significant developments within individual services and strategic service changes
- Responsible for developing and delivering on any transactions that may be contemplated by the Board and that may extend the scope of the Trust's activities and responsibilities
- The Senior Information Risk Officer for the Trust.

During the 2021/22 COVID-19 pandemic, the Trust has maintained financial governance through:

- Continuation of monthly Finance Review meetings with each Hospital/MCS/LCO, Group CFO (or Deputy) and Group COO
- A clear Financial Governance Framework adopted through the Strategic Command and communicated via Hospital/MCS/LCO Directors of Finance
- The implementation of an Investment Panel, comprising Hospital Director of Finance representatives and chaired by the Group Deputy CFO to review proposed investments prior to consideration by Strategic Command
- In addition, the Trust has continued both Finance and Digital Scrutiny Committee and Audit Committee meetings to maintain Board oversight of the financial position. Further, the Trust has maintained compliance with the national Financial Framework, including seeking specific approval from the National CFO on implementation of the new Hive Electronic Patient Record (EPR).

Joint Group Medical Directors

- Responsible for leading on patient safety and clinical effectiveness, research and innovation and medical education
- Chair the Clinical Advisory Committee, Quality & Safety Committee, Research Governance Committee and Informatics Strategy Board
- Responsible for ensuring the Trust is compliant with the Human Tissue Act.
- The Responsible Officers for the Trust for the revalidation of doctors with the General Medical Council, and the Trust's Caldicott Guardians
- Chair of the Medicines Optimisation Board and HIVE Operational Steering Committee.

During the 2021/22 COVID-19 national emergency, the benefits of Joint Group Medical Leadership in a large, complex organisation have included:

- Capacity to deliver clinical leadership, including for coordination of mutual aid, both across the system (Greater Manchester) as well as within the Trust
- GM Executive Medical Director Lead to GM Gold, providing clinical leadership for the management of the COVID-19 pandemic and coordinated restoration of clinical services
- Policies to improve death certification, harm reviews, incident reporting (including nosocomial (hospital acquired) COVID-19 infections); and introduction of new processes under the national Patient Safety Incident Response Framework

- Medical leadership across MFT sites, including NMGH, for rapid development of pandemic-necessitated clinical guidelines and policies under the governance of the EPRR structure
- Coordinate restoration and transformation of clinical services in MFT
- Systems for oversight and management of all grades of medical workforce, including training, redeployment, and peer support during the pandemic
- Augmented research activity for recruitment into, and analysis of, COVID-19 trials.

Group Executive Director of Workforce & Corporate Business

- Provides strategic direction and leadership on a range of corporate functions to enable delivery of the highest quality of services to patients
- Provides strategic advice to the Group Chief Executive and Board of Directors on all employment matters
- Chairs the Workforce & Education Committee
- Chairs the HRD Group
- Chairs the Employee Relations Oversight Group
- Interacts with staff side groups – TJNCC/LNC
- Chairs the Strategic Workforce Equality Group
- Responsible for developing, implementing and monitoring a comprehensive People Plan, ensuring that employee recruitment, retention, leadership, motivation and effectiveness are maximised
- Responsible at Board level for effective internal and external communications ensuring, at all times, the appropriate positive projection of the Trust through the media
- Responsible to the Board for its secretariat function, Governors and membership, to include support for its various meetings and internal processes.

During the 2021/22 COVID-19 pandemic, the Group Executive Director of Workforce & Corporate Business has ensured that:

- The Trust has been meticulous in maintaining the integrity of Board and related governance arrangements and processes. This involved an assessment of existing arrangements to judge what should continue, what could be modified and what could be stood down to ensure compliance with infection prevention rules and government guidance on meetings. Attention was paid to the advice presented by NHS E/I about Board governance and associated reporting
- Board meetings were maintained virtually, and critical scrutiny committees continued unaffected. All decisions about the construct of meetings and business agenda were taken with the full endorsement of the Chairman Moreover, weekly Non-Executive Director briefings were introduced at the outset of the pandemic and continued until November 2021, when they were replaced by weekly written briefings covering operational performance, workforce issues, and COVID-19 and flu vaccination progress. They have been complemented by frequent and regular briefings to the MFT Council of Governors

- Daily staff briefings complemented regular staff side meetings and special events. Additional staff-based groups were established, including new staff networks and a safe working practices committee.

- The results of a comprehensive COVID-19 Staff Survey were used to inform the response to staff need at the height of the pandemic. This was coupled by the extension of the Employee Health and Wellbeing Service to seven days a week. A central attendance team was also introduced to support staff and managers with the management of the significant increase in staff absence rates, COVID-19 testing demand and rapid access to staff welfare services.

- To help keep staff safe, particular attention was paid to risk assessments and the management of clinically extremely vulnerable staff.

Group Executive Director of Strategy

- Responsible for all aspects of strategic planning and providing a robust framework for the development of corporate and service strategy
- Produces the Operational Plan submission to NHS E/I and maintains the ongoing compliance relationship with NHSE/I through monitoring submissions and exception reporting, as required
- Chairs the Service Strategy Committee
- Manages many of the Trust's major stakeholder relationships and works closely with our hospital leadership teams to ensure appropriate strategic positioning to deliver our vision
- Plays a pivotal role as a member of the Greater Manchester Health and Social Care Partnership and helps shape the future governance arrangements linked to this historic agreement.

During the 2021/22 COVID-19 pandemic, the MFT Strategy team was responsible for any strategic planning that continued during this time and for leading the MFT engagement with the GM Hospital Cell.

The MFT Director of Strategy:

- Maintained GM Gold and associated arrangements to coordinate GM response to the pandemic
- Ensured that MFT played a full part in the GM Hospital Cell pandemic response, including attendance of MFT reps at all key pandemic response meetings, such as GM Gold
- Led on behalf of GM on the use of the Independent Sector, ensuring that all available capacity was utilised so that patients waiting for planned procedures continued to be treated
- Ensured that due process was followed for any MFT service changes made during the pandemic (and will be responsible for ensuring that due process is followed if any changes are subsequently to be made permanent)
- Continued the strategic development and positioning of MFT services e.g. development of Community Diagnostic hubs, development of the MFT Annual Plan.

The Group Chief Executive chairs the **Group Risk Oversight Committee** and actual risks, scoring 15 or above, are reported to the Committee. Risk reports are received from each responsible Director, Hospital/Managed Clinical Service (MCS)/Local Care Organisation (LCO) Chief Executive and Group Executive Director, with details of the controls in place and actions planned and completed against which assessment is made by the Committee.

The Group Risk Oversight Committee provides the Board of Directors with an assurance that risks are well managed throughout the Group with the appropriate mitigation and plans in place. Reports demonstrate that the risk management reporting process includes all aspects of risk, clinical and non-clinical. This committee continued to meet throughout the pandemic.

The **Audit Committee** monitors assurance processes and seeks assurance across all risks in order to provide independent assurance to the Board of Directors that risks have been properly identified and appropriate controls are in place. The risk appetite is determined by the Board and monitored by the Audit Committee to ensure that the risks faced are consistent. All scheduled meetings of the MFT Audit Committee were held (virtually) throughout the COVID-19 pandemic.

The Board has designated a Joint Group Medical Director and the Group Chief Nurse as the lead Executives and Joint-Chairs of the **Quality & Safety Committee**. This Committee sets the strategic direction for quality and safety for MFT. It is responsible for developing the organisational strategy for quality and safety in line with national/international evidence-based practice and standards.

This Committee also ensures that MFT has the structures, systems and processes it needs in order to achieve its key clinical objectives, and that they are monitored and performance-managed. A significant amount of work has continued to develop clinical effectiveness indicators across all our Hospitals, MCSs and LCOs.

The Trust's Single Operating Model is underpinned by the Accountability and Oversight Framework (AOF), which contributes to the overarching Board Governance Framework, enabling the Group Board of Directors to fulfil its obligations and effectively run the organisation. The AOF is one of the key enabling processes to support the delivery of the MFT vision, strategic objectives and operational plan, and incorporates the key elements below:

- Fosters a culture of devolved decision-making and accountability
- Sets out how the Group Board of Directors and Hospitals/MCSs/LCOs will interact
- The framework supports the principle of earned autonomy in high performing Hospitals/MCSs/LCOs and the support provided to challenged sites
- An annual performance agreement process will formally capture the contribution of each Hospital/MCS/LCO to Group corporate objectives and targets for the year

- The framework operates a process of performance review, led by the Group Executive Team, which assesses the performance and risk of each Hospital/ MCS/LCO in delivering its plans and objectives and meeting agreed Key Performance Indicators (KPIs)
- Enables the corporate functions to identify potential support needs, by theme, as they emerge, allowing tailored support packages to meet the specific needs of each Hospital/MCS/LCO, and drawing on expertise from across the corporate functions.

The Trust's AOF process incorporates six domains: Safety, Patient Experience, Operational Excellence, Finance, Workforce & Leadership and Strategy. The process provides a holistic and transparent process for the monitoring of Hospital/MCS performance; all domains are equally weighted with the exception of 'Safety', which is the override for monthly Hospital/MCS/LCO AOF scores.

To support the AOF monthly cycle, a performance dashboard for each Hospital/MCS/LCO has been developed that captures in one place the overarching Hospital/MCS/LCO AOF score, individual domain scores and performance against the Key Performance Indicators that form each domain.

A focused governance and accountability framework was maintained throughout the Group during 2021/22 in response to the rapidly-escalating phases of the pandemic. Whilst the AOF was 'stood down' during the pandemic, the Trust maintained performance management oversight through its adapted committee structure and EPRR Framework.

This included two to three times weekly Strategic Command Group meetings chaired by the Group Chief Operating Officer (COO), and the monthly Finance Review meetings chaired by the Group Chief Finance Officer (CFO). Performance Quality reports continued to be produced and presented to the Board of Directors, Group Management Board and selected Board Sub-Committees.

Throughout the recovery period, the Trust's operational processes have focused on the appropriate treatment of patients, based on clinical priorities, and maximising availability of services through new models of care. All transformational and operational teams are focused on delivering against the operational and recovery outputs, with clear reporting and accountability links through the EPRR structure.

The Trust has a well-established **Quality & Performance Scrutiny Committee (QPSC)** that provides assurance on the Trust's work on quality (Patient Safety & Patient Experience) and performance (all key performance measures excluding Workforce & Finance). The Committee is chaired by a Group Non-Executive Director, who identifies areas that require more detailed scrutiny, arising from national reports, Board Reports, the Board Assurance Report, patient feedback and public interest issues.

Throughout 2021/22, and despite the heightened challenges presented, the QPSC met virtually on six occasions. Examples of the key focus areas examined included:

- AOF summary reports and dashboard
- The MESH Programme
- Never Events
- Patient Safety Incident Reporting, Management and Associated Learning
- Patient Safety Incident Response Framework
- MRI's Nutrition & Hydration Improvement Initiatives
- The Ockenden Report and MFT's Action Plan
- Decontamination
- Maintenance of Medical Equipment (MEAM)
- The NHS Resolution Maternity Incentive Scheme
- Annual Accreditation Report
- Annual Infection Prevention Control (IPC) Report
- Annual Complaints Report
- Annual Safeguarding Report
- Patient Experience Reports (including patient surveys)
- NHS Resolution Updates
- BAF risks aligned to QPSC
- Annual Terms of Reference review.

This ensures a level of detailed review, challenge and learning in areas of identified risk that had particularly been identified during the Trust's response to the pandemic.

During 2021/22, the Trust strengthened its arrangements for Quality Governance to support the implementation of the National Patient Safety Strategy, with the implementation of a Patient Safety Management System, which enables effective patient safety insight, oversight, management, learning, improvement and assurance. This systematic approach to understanding and assuring patient safety is being implemented throughout the Trust during 2022/23.

The **Human Resources Scrutiny Committee (HRSC)**, chaired by a Group Non-Executive Director, reviews MFT's People Plan and monitors the development and implementation of the key workforce deliverables. Throughout 2020/21, the HRSC met virtually on six occasions and examples of the key focus areas examined included:

- MFT Staff Survey, including the national Staff Survey results
- Employee health and wellbeing
- Mandatory training
- Staff appraisals
- MFT's Local Clinical Excellence Awards
- MFT's Gender Pay Gap
- The work of MFT's Freedom to Speak Up Guardian
- The work of MFT's Guardian of Safe Working
- Annual Medical Revalidation Report and Annual Statement of Compliance

- MFT's Workforce Race and Disability Equality Schemes
- Nursing & Midwifery Safer Staffing report
- Nurse & Midwifery Revalidation Report
- Diversity Matters, MFT's Equality, Diversity and Inclusion Strategy 2019 – 2023
- MFT's Apprenticeship Programme
- Annual HRSC Terms of Reference review
- Board Assurance Framework risks aligned to the HRSC.

The **Finance and Digital Scrutiny Committee (FDSC)**, chaired by a Group Non-Executive Director, examines the incidence, nature and potential impact of emerging or identified significant financial risks to the Group's ongoing position and performance, either in-year or forward-looking, and examines the Trust's ongoing response to National Emergencies, Policies and Directives in relation to finance. It seeks and receives additional levels of assurance not routinely available within the confines of regular ongoing Group Board of Directors papers and discussion, together with scrutinising the specific turnaround or mitigation plans as developed, presented to and approved by the Group Board of Directors, in relation to managing the scale and impact of the identified risks.

The FDSC also oversees all matters regarding informatics, data, analytics and information technology in the Trust. This includes how risks to data security are being managed and controlled.

Throughout 2021/22, the FDSC met virtually on six occasions and examples of the key focus areas examined included:

- Revised Capital Programme 2021/22 (and associated updates)
- Capital Expenditure (and associated updates)
- Future NHS Financial Architecture (and associated updates)
- Chief Finance Officer's Reports
- 2022/23 MFT Financial Plan (and associated updates)
- The Trust's Waste Reduction Programme
- MFTs investment in associated companies
- Chief Information Officer's reports
- Board Assurance Framework risks aligned to the FDSC
- Annual FDSC Terms of Reference review.

The Board Assurance Framework (BAF) outlines the key strategic aims of the Trust and associated risks with plans to achieve aims and mitigate risk. Key workstreams associated with this are also monitored via both the HR & QP scrutiny committees for assurance.

During periods that are not deemed a national emergency, the workforce and leadership section of the Board Assurance Report is reviewed by the Board on a monthly basis to monitor the key workforce metrics, such as attendance, vacancies, mandatory training and appraisal compliance. Monthly performance monitoring is also undertaken as part of the Trust's Accountability Oversight Framework (AOF) process, whereby Group Executive Directors review key workforce metrics and delivery plans for each Hospital/MCS and LCO.

The Board of Directors also seeks assurance about the performance and risk management strategy of a key external partnership, the Manchester and Trafford Local Care Organisations (M&TLCOs), through the M&TLCOs Scrutiny Committee (LCO SC) initially, and then as part of the AOF, Board Assurance Report and Board Assurance Framework when the LSO SC was formally stepped down in November 2021.

Prior to being stood down, the LCO SC met once during 2021/22 and considered:

- The LCOs' response to the COVID-19 pandemic, System Resilience (including Vaccination Programme) and Recovery Programme
- The LCOs' Operating Plan for 2021/22
- LCO Governance changes
- Integrated care system developments.

The Trust's Risk Management Strategy provides the Trust with a framework that identifies risk and analyses its impact for all hospitals and services for significant projects and for the organisation as a whole. The completion of Equality Impact Assessments is part of this process.

Any hazard identified is analysed against its severity and the likelihood of it occurring. This determines the overall risk ranking and ensures there is a common methodology across the organisation. The strategy clearly sets out the individual and corporate responsibilities for the management of risk within MFT.

Implementation of the strategy ensures the Board is informed about significant risks and is then able to communicate these effectively to external stakeholders.

The Risk Management Strategy is disseminated throughout MFT and to all local stakeholders and is reviewed every two years. There is increasing involvement of key stakeholders through mechanisms, such as the Quality Reviews, the annual Clinical Audit and Risk Management Fair and Governors' learning events.

Each Hospital, MCS and LCO systematically identifies, evaluates, treats and monitors action on risk on a continuous basis. This work is then reported back through the local and corporate risk management and governance frameworks.

This also connects the significant risks (those appraised at level 15 or above on the risk framework) to the organisation objectives and assesses the impact of the risks.

The outcome of the local and corporate review of significant risk is communicated to the Group Risk Oversight Committee so that plans can be monitored. All Hospitals, MCS and LCO report on all categories of risk to both the Group Risk Oversight and Quality & Safety Committees.

The Group Risk Oversight Committee undertakes further evaluation of the risks presented and their action plans and updates the Assurance Framework, so that at any given time, the significant risks to the organisation are identified.

Risk Management and Assurance Framework processes are closely aligned, and the Assurance Framework is dynamic and embedded in the organisation.

All identified risks within the organisation are captured in the Risk Register. This document also contains the detailed risk assessments and resulting action plans associated with the external assurance sources detailed under 'review of effectiveness'. The Board is therefore able to monitor progress against such action plans. Risk assessment is a fundamental management tool and forms part of the governance and decision-making process at all levels of the organisation.

The Joint Group Medical Directors and Group Chief Nurse work closely on the alignment of patient safety and the patient experience. Clinical risk assessment is a key component of clinical governance and forms part of the Risk Register.

MFT also has established arrangements to advise and engage with both the Manchester and Trafford Health & Wellbeing Scrutiny Committees when there are proposed service changes that may impact on the people who use our services. The Trust endeavors to work closely with patients and the public to ensure that any changes minimise the impacts on patients and public stakeholders.

As a Foundation Trust, we also inform our Council of Governors of proposed changes, including how any potential risks to patients will be minimised. During non-national emergency peak periods, the Group Chief Executive (and supporting Group Executive Directors) makes regular reports to the Governors on the position against Trust risks scored at 15 or above.

At their meeting in December 2021, the Council of Governors received a full presentation detailing MFT's risk management processes and governance, along with an overview of the key risks facing the Trust.

The principles of risk management and associated governance, as described within the Trust's Risk Management Policy and associated policies, were maintained throughout the organisation's response to the COVID-19 pandemic. The Trust's risk register was used to proactively manage actual and latent risk caused by the pandemic itself, and the response that the organisation made. This ensured there was Trust-wide visibility of the risks being managed and wide engagement with understanding the effectiveness of mitigation put in place.

With Group Executive and Non-Executive Director approval, elements of the governance infrastructure were scaled down in a proportionate way to enable executive and senior management focus on the management of emergent risks presented by the pandemic. This has been under continuous executive review, with arrangements being re-established at times when the pandemic is having a lesser impact on core Trust activities.

The use of Microsoft Teams to support virtual meetings has enabled engagement with and attendance at key decision-making meetings. Learning in relation to this approach has been used, for instance, in relation to the Trust-wide response to a recent National Patient Safety Alert. All Quality and Safety Committee meetings continued.

Overview of the organisation's major risks
The Trust identified a number of significant risks during 2020/21 with a particular focus on COVID-19-related risks. They have been or are being addressed through robust monitoring at the bi-monthly Risk Oversight Committee, chaired by the Group Chief Executive.

The Directors identified and supported the management of a number of significant risks during 2021/22, with a particular focus on risks associated with the COVID-19 pandemic response, and also on evaluating the impact of the response to the pandemic on the Trust's existing risk profile.

The key risks identified and actively mitigated during the year related to:

- Infection prevention and control related to COVID-19 acquisition
- Psychological wellbeing of staff
- Vaccination as a condition of Deployment Regulations
- Under delivery of activity/capacity that will impact on achievement of national operational standards
- Implementation of the Trust-wide EPR in September
- Understanding of human-system interaction to optimise patient safety
- Compliance with the Trust's appraisal policy
- Delivery of the ACHD service
- Safe and effective management of diagnostic and screening test results
- Safe and effective storage of medicines
- Capacity of the informatics service to deliver against its service objectives
- NMGH critical estate building and engineering infrastructure
- Physical and staffing capacity in the paediatric Emergency Department (RMCH)
- Effectiveness of decontamination services
- Effectiveness of cyber security controls
- Physical and staffing capacity to deliver the Paediatric Haematology/Bone Marrow Transplant, Benign Haematology and Oncology Services Service
- Staffing in the Maternity Unit
- Paediatric dentistry
- Theatre capacity (at Wythenshawe Hospital)
- Effectiveness of stopping fires.

As described within the section describing the Trust's capacity to handle risk, the escalation and management of all risks is defined within the Risk Escalation Framework, supported by a clear policy and governance infrastructure. The Framework was used to effectively manage this range of both in-year and ongoing (which will require management into the future) risks to the achievement of the strategic objectives.

At the time of writing this report, there are three risks that have been assessed as impacting the delivery of the Trust's strategic objectives being actively managed by the organisation (rated 20 or above). They are current, in-year risks, but will all require ongoing management in the future.

They are related to the safe and secure storage of medicine, sub-optimal understanding of human/system interaction to enable patient safety, and the achievement of national operational standards for urgent and elective care, including cancer and diagnostics.

A range of mitigating actions have been developed and are recorded on the Risk Register, along with the details of the action plan lead and the date for completion of these actions. The risks are being monitored and the effectiveness of the mitigation assured at the bi-monthly Group Risk Oversight Committee. Progress is also evaluated in line with the processes detailed elsewhere in this annual governance statement.

Quality governance arrangements
Compliance with Care Quality Commission (CQC) registration was monitored through a number of Trust Committees, but the main Committees are the Group Quality and Safety Committee, the Quality & Performance Scrutiny Committee and the Group Risk Oversight Committee.

All Hospitals/MCS/LCO report risks via an electronic system and risks are escalated up to the Group Risk Oversight Committee above a score of 15. These risks are mapped against the key priorities on the Board Assurance Framework. This can be mapped to the CQC Standards.

The Trust has had an established Quality Review process in place since 2013/14, in response to the recommendations set out by the Francis, Keogh and Berwick reports earlier the same year (2013). Internal reviews are informed by extensive data packs that pull together key indicators reflecting the quality of care across each Hospital/MCS/LCO.

The Trust also has a well-established Improving Quality Programme (IQP) and Accreditation process in place that examines performance across four domains: leadership and culture of continuous improvement, environment of care, communication about and with patients and nursing processes: including medication management and the meals service.

Findings are mapped against agreed criteria for each standard and clinical areas are scored as white, bronze, silver or gold. Areas that consistently achieve a gold rating become eligible for an Excellence in Care Award, providing a gold rating is achieved in all domains. Patient experience survey data and quality of care data is used along with Accreditation outcomes to drive continuous improvement.

The Board of Directors receives regular reports on accreditation outcomes and an Annual Accreditation Report. The full accreditation process was stood down in March 2020 to release capacity for the pandemic response. However, it was temporarily replaced by an assurance process in which quality and safety data was captured and triangulated for all clinical areas and each Director of Nursing/Midwifery/Healthcare Professionals undertook an assurance meeting with the Deputy Chief Nurse to identify any areas of best practice and improvement. Assurance meetings were underpinned by environmental visits by the Quality Improvement Team. The full accreditation programme resumed from May 2021.

Review of services
During 2021/22, Manchester University NHS Foundation Trust provided and/or subcontracted all relevant health services.

The Trust has reviewed all relevant data available on the quality of care in all the relevant health services. Due to the continued impact of the pandemic in 2021/22, including the way the NHS funding/payment system operated again, not all pre-pandemic statements can be reviewed or included.

Care Quality Commission
The Trust is required to register with the Care Quality Commission (CQC) and its current registration status is fully registered with no conditions. MFT has had no conditions on its registration. The CQC did not take enforcement action against MFT during 2021/22.

MFT has not participated in any investigations by the CQC. The Trust works closely with the CQC on maintaining high quality services.

The CQC in September 2020, set out its plans on how it is going to regulate Trusts during the next phase of the Covid 19 pandemic, a transitional regulatory monitoring approach. In response to the new approach, MFT had a Dynamic Monitoring review on the CQC's core service Medicine including Older People's Care in October 2021.

Medicine including Older People's Care was reviewed in the following hospitals:

- Manchester Royal Infirmary
- Wythenshawe
- Trafford
- North Manchester General Hospital.

The overall feedback from the CQC was positive with no concerns identified from the review.

In addition to the Dynamic Monitoring, the Saint Mary's Sexual Assault Referral Centre (SARC) and the Child and Adolescent Mental Health Service (CAMHS) were inspected by the CQC.

The SARC inspection was undertaking in September 2021. This was an announced inspection as part of the CQC's regulatory function. The CQC report was overall positive and did not raise any concerns in relation to the five Key Lines of Enquiry reviewed as part of the inspection: Care, Safe, Effective, Responsive and Well-Led. Some of the highlights in the report were:

- ✓ Staff felt involved and supported and worked well as a team.
- ✓ The service asked staff and clients for feedback about the services they provided.
- ✓ There were suitable information governance arrangements.
- ✓ The service appeared clean and well maintained.
- ✓ The staff had infection control procedures which reflected published guidance.

However, the CQC identified one area for improvement which was in relation to the frequency of Disclosure and Barring Service (DBS) checks. Although the service carried out DBS checks on staff at the point of recruitment this was not revisited during their employment. The CQC recommended for the service to consider the frequency of DBS checks, ensuring this is proportionate to the work that SARC staff deliver. In response to this, the service is working with the senior leadership team in Saint Mary's Hospital and the Trust Human Resource department to review its DBS checks processes and agree the frequency of DBS checks on its staff.

The CQC also carried out an unannounced inspection in September 2021 of CAMHS's Galaxy House to monitor the use of the Mental Health Act (MHA) and compliance with the Code of Practice. Some positive highlights from the report were:

- ✓ Improvements made in response to previous CQC actions in relation to the recording of section 132 rights discussions with patients and assessments of capacity to consent to treatment on admission.
- ✓ Patients told the inspectors staff were kind and they felt very safe and well looked after.
- ✓ Parents were positive about the service and staff.
- ✓ Patients and parents were positive about the school in CAMHS.

Although there was evidence of good practice, the CQC raised some concerns about the use of the MHA, compliance with the Code of Practice and the experience of detained patients. Some of the concerns were in relation to the use of restrictive practice, the questions on the patient feedback questionnaire not always being appropriate for the specialist service, and patients not always being involved in their care plans. As a result, the CQC had nine actions for the service to address. Eight of these have been addressed by the service, with the last action scheduled for completion in June 2022.

MFT continues to work closely with all external regulators and inspection bodies and will use regulatory findings to make improvements where needed and as an assurance of quality.

Managing conflicts of interest
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 12 months, as required by the Managing Conflicts of Interest in the NHS guidance. https://mft.nhs.uk/the-trust/the-board/register-of-directors-interests/

Hospital/MCS Review Process
Performance management meetings with hospital senior leadership teams takes place via the AOF (Accountability and Outcomes Framework), and other forums.

Each Hospital/MCS was assigned an overall monthly Accountability Oversight Framework (AOF) Level that determines the level of recognition, intervention and support required. The AOF levels range from 1 (low risk) to 6 (high risk).

A Hospital/MCS rated 1 will have earned autonomy; as the level of risk increases there is a corresponding and proportionate increase in the level of scrutiny, intervention and action that is required.

The frequency of performance review meetings between the Group Executive Directors and the Hospital/MCS Executive team ranges from six monthly (lowest risk) to monthly (highest risk).

The Hospital/MCS AOF level is a composite score of performance against the six domains: Safety, Patient Experience, Operational Excellence, Finance, Workforce & Leadership; and Strategy.
Each domain comprises a range of key performance indicators (KPIs) that align to regulatory and organisational requirements. In addition, any soft intelligence available to the Group Executives will be taken into consideration.

Assurance Framework
The Assurance Framework structures the evidence upon which the Board of Directors depends to assure it is managing risks that could impact on MFT's key priorities.

Review of economy, efficiency and effectiveness of the use of resources
We invest significant time in improving systems and controls to deliver a more embedded range of monitoring and control processes.

The in-year use of resources is closely monitored by the Board of Directors and the following committees:

- Audit Committee
- Remuneration Committee
- Finance Scrutiny Committee
- Quality & Performance Scrutiny Committee
- Trust Risk Management (Oversight) Committee
- Human Resources Scrutiny Committee.

MFT employs a number of approaches to ensure best value for money (VFM) in delivering its wide range of services. Benchmarking is used to provide assurance and to inform and guide service redesign. This leads to improvements in the quality of services and patient experience, as well as financial performance.

The Trust is compliant with the principles and provisions of the NHS Foundation Trust Code of Governance following an annual review with Board members. The Board's statement on compliance is contained in detail on page 149 onwards of this report.

We have also undertaken risk assessments and MFT's Green Plan has been approved, which takes account of UK Climate Projections 2018 (UKCP18). MFT ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are met.

See pages 60 to 64 for more information about our sustainability plans.

Workforce strategies and staffing systems
MFT has a continuous focus on workforce matters as a central feature of its overall approach to business and strategic planning. This includes delivery of the clinical services strategy and more recently the Trust's response to COVID-19, including recovery planning. Detailed workforce data is used to inform workforce planning and modelling and reports are regularly submitted to the COVID-19 Strategic Group and the HR Scrutiny Committee.

Information is analysed and applied to inform decisions about recruitment, staff deployment and financial planning.

Developing Workforce Safeguards
The Trust is fully compliant with national requirements for monitoring and accounting for safe staffing levels associated with nursing, midwifery and doctors in training. Regular assurance reports are submitted to the HR Scrutiny Committee by the Group Chief Nurse and Group Joint Medical Directors. In addition, all business cases for service development that include workforce requirements are scrutinised to ensure proposed staffing levels are appropriate and safe.

Operationally, e-rostering is in place, which alerts when triggers are reached that might indicate compromised clinical staffing levels. This is complemented by 24-hour site manager shift supervision, the availability of incident reporting and a Freedom to Speak Up guardian and champions.

The Quality and Performance Scrutiny Committee and Group Risk Oversight Committee seek assurance on matters of safety and risk relating to safe staffing levels.

Information Governance
Confidentiality is, and always has been, a cornerstone of the Trust's approach for the safe and secure handling of personal data and corporate business information. To achieve this and ensure all data is safeguarded, handled and managed in line with data protection legislation and NHS national standards and guidelines, the Trust has a comprehensive Information Governance (IG) framework.

The IG framework comprises a suite of IG documentation including Policies; Standard Operating Procedures (SOPs); Codes of Practice (CoPs); Guidance Notes and Templates, all of which provide the tools to enable MFT staff to securely and confidently handle the personal data necessary to perform their job role.

The IG framework promotes confidentiality, integrity, and availability of personal data with a focus on security, and it provides guidance and best practice for handling personal data legally, effectively and efficiently to enable the provision of best possible healthcare to our patients.

The cyber-security agenda is part of the Trust's IG framework. The Trust takes the threat of cyber-attacks very seriously, and has robust measures and controls in place to raise cyber awareness and ensure resilience of its IT infrastructure and manage the threat of cyber-attacks and other IT vulnerabilities and security threats.

The Information Governance framework is monitored and overseen by the Group Information Governance Board (GIGB) and reports via the Group Informatics Strategy Board to the Group Management Board.

The GIGB supports the Group Chief Executive as Accountable Officer of the Trust and the Board level Executive Senior Information Risk Owner (E-SIRO) via the Senior Information Risk Owner (SIRO) in providing assurance that information risks are effectively managed and mitigated.
The Trust completes and publishes an annual self-assessment, using the national NHS Data Security and Protection Toolkit (DSPT). The DSPT is aligned to the 10 Data Security Standards set by the National Data Guardian and allows MFT to measure itself against the standards and demonstrate that information is handled correctly and protected from unauthorised access, loss, damage and destruction.

The Trust completed and published its 2020/21 self-assessment against the DSPT standards on 30th June 2021, achieving the status Standards Met. The 2021/22 self-assessment is not published until 30th June 2022 so is outside the scope of this Annual Report.

Information Governance breaches include data breaches under Data Protection Act 2018/UK GDPR, and breaches under the Security of Network Information Systems Regulations 2018 (NIS). All IG breaches are logged on the Trust's local incident management system and managed in line with the Trust's incident management policy.

The Trust also uses the NHS Data Security and Protection Incident Reporting tool for IG breaches that meet or exceed the threshold for reporting externally to the Information Commissioner's Office, NHS Digital Data Security Centre and the Department of Health and Social Care.

During financial year 2021/22 there was one incident at a level which required reporting to the Information Commissioner's Office (ICO). This incident related to an alleged breach of confidentiality relating to a recording device which was found on the Trust premises. The ICO has closed the case with no further action.

The principal risks to compliance with the NHS Foundation Trust Condition 4 (FT governance)

The principal risks to compliance with the NHS FT Condition 4 are outlined below. Action taken by the Trust to mitigate these risks in the future is outlined elsewhere in the Annual Governance Statement.

- Compliance with Care Quality Commission registration requirements: MFT is fully compliant with the registration requirements of the Care Quality Commission
- Compliance with equality, diversity and human rights legislation: control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.
- Compliance with the NHS Pension Scheme.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with.

This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Annual Quality Report

NHS England and Improvement no longer require quality reports to be included in an NHS foundation trust's annual report. MFT's performance against quality priorities and indicators is covered within the Performance section of this annual report (on pages 52 to 55).

Information on organisational performance is available to Board members and Governors through the online Board Assurance Framework system, in a clear Red, Amber, Green (RAG) rated graphical format. Each Group Executive Director has responsibility for a range of indicators relating to their areas of operation, and monitors progress on resolving any identified issues.

The data within the system feeds the bi-monthly Board of Directors integrated Trust Board Assurance Report that comprises quality, patient safety and experience, operational performance, human resources and financial performance. The report provides oversight of trends and historical performance, individual Hospital and MCS performance, highlights areas of risk, factors impacting on performance and the actions being taken to bring performance back to the required standard.

In addition, the outputs from the monthly AOF process are reported to the Group Executive Team, Trust Quality & Performance Scrutiny Committee and Group Management Board. This enables the Quality & Performance Scrutiny Committee to use this intelligence alongside the Trust Board Assurance Report to identify any areas that require further scrutiny and assurance.

MFT uses a reporting and analysis system to support the management of services and performance. This system is available to all staff from Board to ward, who can view it on a daily basis and access up-to-date performance information.
The system is used to support our internal governance structure and any performance reporting required by external organisations.

In addition, our clinical and operational staff use the information to produce bespoke reports that analyse patient activity and assist with planning and administration, as well as performance management tracking. Using this information tool reinforces that performance management is part of everyone's job.

To support assurance of the accuracy of reported KPIs through the Trust internal audit programme and the external audit programme, a number of Board Assurance metrics are selected every year for testing. The outcomes of this testing are reported to the MFT Audit Committee and actions are put in place based on the recommendations to drive continuous improvement in data quality.

In addition, this is supplemented by further audits throughout the year, undertaken by the performance team and Hospitals, to provide assurance of maintaining and improving levels of data quality.

Over the last five years there has been a particular focus on KPIs for the A&E four hour wait standard, Referral to Treatment 18 weeks, Cancer and Diagnostics.

Lessons Learned (during the COVID-19 pandemic)
A Lessons Learned exercise was undertaken following the first wave of the pandemic, which involved stakeholders from across MFT. This was shared widely across the Trust and fed into the development of the workstreams for the Recovery and Resilience Programme Board, and informed the Trust's response to later waves. Regular Strategic and daily tactical meetings have allowed rapid spread of learning across the organisation.

A daily multichannel communications cascade has been in place since the early days of the pandemic, which employs distinctive branding to alert staff to important communications.

The Trust recognises the opportunities for a different approach to optimising learning that the response to the pandemic provided. These ranged from the practical ability to engage with a wider audience at meetings and seminars through the convenience of virtual communication channels, to the successful rapid tests of change that occurred to support innovation in the way patient care was delivered.

The Trust was able to learn from how it learned, and applied this to a fundamental change in the approach to optimising learning about patient safety. The Trust implemented a Group-wide patient safety management system, supporting effective patient safety oversight on a daily basis. This will ensure learning opportunities are identified in a contemporaneous and collaborative way, and actions taken to ensure learning are proportionate and effective.

The Trust has also taken the opportunity from this learning to establish a Human Factors Academy, designed to support the Trust's implementation of the NHS Patient Safety Incident Response Framework in 2022, but focusing on addressing key learning questions to support improvements and innovation. The Trust has an established Patient Safety Specialist Network, based on the principles of 'liberating structures' methodology. It focuses on engaging clinical and non-clinical staff in innovative ways with patient safety.

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 our Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on a range of 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 of Directors, the Group Risk Management (Oversight) Committee, the Audit Committee, the Quality & Performance Scrutiny Committee, and the HR Scrutiny Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by other major sources of assurance such as:

- Internal Audit Reports
- External Audit Reports
- Clinical Audit Reports
- Patient Surveys
- Staff Survey
- Royal College accreditation(s)
- Health and Safety Executive Inspection Reports
- Care Quality Commission Intelligent Monitoring Standards
- PLACE assessments
- Senior Leadership Walk-rounds
- Clinical Pathology Accreditation
- Care Quality Commission - registration without conditions
- Equality and Diversity Reports
- General Medical Council Reports.

The Trust applies a robust process for maintaining and reviewing the effectiveness of the system of internal control. A number of key groups, committees and teams make a significant contribution to this process, including:

- **Board of Directors**

The statutory body of the Trust is responsible for the strategic and operational management of the organisation and has overall accountability for the risk management frameworks, systems and activities, including the effectiveness of internal controls.

The Terms of Reference and responsibilities of all Board Sub-Committees are reviewed annually in order to strengthen their roles in governance and focus their work on providing assurances to the Board on all risks to the organisation's ability to meet its key priorities.

- **Audit Committee**

The Audit Committee provides an independent contribution to the Board's overall process for ensuring that an effective internal control system is maintained and provides a cornerstone of good governance. The Audit Committee monitors the assurance processes of all other Board Committees (see also the Audit Committee report on pages 89 to 91).

- **Internal Audit**

Internal Audit provides an independent and objective opinion to the Accounting Officer, the Board and the Audit Committee, on the degree to which MFT's systems for risk management, control and governance support the achievement of the Trust's agreed key priorities.

The Internal Audit team works to a risk-based audit plan, agreed by the Audit Committee, and covering risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

A report is produced at the conclusion of each audit and, where scope for improvement is found, recommendations are made, and appropriate action plans agreed with management. Reports are issued and followed up with the responsible Group Executive Directors.

The results of audit work are reported to the Audit Committee, which plays a central role in performance managing the action plans to address the recommendations from audits. Internal audit reports are also made available to the external auditors, who may make use of them when planning their own work.

In addition to the planned programme of work, internal audits provide advice and assistance to senior management on control issues and other matters of concern. Internal audit work also covers service delivery and performance, financial management and control, human resources, operational and other reviews.

Based on the work undertaken, including a review of the Board's risk and assurance arrangements, the Head of Internal Audit Opinion concluded in March 2022 that 'Significant assurance with minor improvement opportunities' could be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control for the period 1st April 2021 to 31st March 2022.

- **Clinical Audit**

The Clinical Audit teams in the Hospitals and MCS oversee the development and delivery of an annual Clinical Audit Plan. This plan includes mandatory national audits, locally-agreed priority audits and monitoring audits in respect of external regulation and accreditation.

The calendar is presented to the Trust Audit Committee and provides assurance on both clinical outcomes and compliance with guidance, such as that provided by the National Institute for Health & Care Excellence (NICE) and the National Confidential Enquiry into Patient Outcome and Death (NCEPOD).

Data Validation is undertaken through data quality checks, audits (internal and external), hospital scrutiny groups, variance checking, extensive daily reporting and analysis. These checks are reflected through the Data Quality dashboard. See the 'National and local clinical audits' section on pages 55 to 60 for more information.

An internal audit was commissioned into clinical audit governance processes in Q3 2020/21 which found limited assurance and made recommendations for improvement. These improvements are underway.

- **Additional Scrutiny Committees**

To provide oversight of two significant programmes, the Trust had established two additional Scrutiny Committees. The North Manchester Scrutiny Committee's remit was to oversee the progress of the acquisition of North Manchester General Hospital from Pennine Acute Hospitals NHS Trust and was formally stood down in November 2021. The Electronic Patient Record (EPR) Scrutiny Committee, chaired by a Non-Executive Director, reviews the £400 million programme to deliver the HIVE EPR programme.

Conclusion

No significant internal control issues have been identified.

The Board confirms that it is satisfied that, to the best of its knowledge and using its own processes and having regard to NHS Improvement's Quality Governance Framework (supported by Care Quality Commission information, our own information on serious incidents and patterns of complaints) MFT has effective arrangements for monitoring and continually improving the quality of healthcare provided to our patients.

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

Independent auditor's report to the Council of Governors of Manchester University NHS Foundation Trust NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements
We have audited the financial statements of Manchester University NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2022 which comprise the Trust and Group Statements of Comprehensive Income, the Trust and Group Statements of Financial Position, the Trust and Group Consolidated Statements of Changes in Taxpayers' Equity , the Trust and Group Statements of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2021/22 as contained in the Department of Health and Social Care Group Accounting Manual 2021/22, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and Group as at 31 March 2022 and of the Trust's and the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2021/22; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's or the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

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

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

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements
As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2021/22 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust and Group, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accounting Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and Group which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in April 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matters on which we are required to report by exception
We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in this respect.

Responsibilities of the Accounting Officer
The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources
We are required by Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice
In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice
We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2021/22; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or

- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

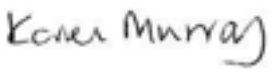
We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of Manchester University NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Certificate

We certify that we have completed the audit of Manchester University NHS Foundation Trust and Manchester University NHS Foundation Trust Group in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.



Karen Murray - Key Audit Partner
For and on behalf of Mazars LLP

One St Peter's Square
Manchester
M2 3DE

21 June 2022

Manchester University NHS Foundation Trust

Annual accounts for the year ended 31 March 2022

Foreword to the Accounts

These Accounts for the period 1st April 2021 to 31st March 2022 have been prepared by Manchester University NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006, in the form in which NHS Improvement, the Independent Regulator of NHS Foundation Trusts, has, with the approval of the Treasury, directed.

These Accounts have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement and the Group Accounting Manual issued by the Department of Health.

After making enquiries, the Directors have a reasonable expectation that the Trust and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the Going Concern basis in preparing the Accounts.

Sir Michael Deegan CBE
Group Chief Executive
20th June 2022

Consolidated Statement of Comprehensive Income

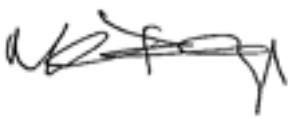
	Note	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Operating income from patient care activities	2	2,190,559	2,190,559	1,729,382	1,729,382
Other operating income	2	282,305	284,151	422,856	427,835
Operating expenses	3, 4	(2,504,345)	(2,508,750)	(2,147,261)	(2,153,697)
Operating (deficit)/surplus from continuing operations		**(31,481)**	**(34,040)**	**4,977**	**3,520**
Finance income	6	154	679	30	566
Finance expenses	7	(40,718)	(40,718)	(40,784)	(40,784)
PDC dividends payable		(325)	(325)	-	-
Net finance costs		**(40,889)**	**(40,364)**	**(40,754)**	**(40,218)**
Other losses	8.2	(628)	(628)	(94)	(94)
Gains and losses arising from transfers by absorption	2	61,680	61,680	2,979	2,979
Corporation tax expense		-	-	-	-
Deficit for the year from continuing operations		**(11,318)**	**(13,352)**	**(32,892)**	**(33,813)**
Deficit for the year		**(11,318)**	**(13,352)**	**(32,892)**	**(33,813)**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	8.1	-	-	(750)	(750)
Revaluations	21	28,567	28,567	3,835	3,835
Other reserve movements		(1,841)	(1,841)	-	-
May be reclassified to income and expenditure when certain conditions are met:					
Fair value gains on financial assets mandated at fair value through OCI	11	-	440	-	3,859
Total comprehensive income / (expense) for the period		**15,408**	**13,814**	**(29,807)**	**(26,869)**

The notes on pages 7 to 46 form part of these accounts.

Statement of Financial Position	Note	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust 31 March 2021 £000	Group 31 March 2021 £000
Non-current assets					
Intangible assets	9	16,107	16,107	4,665	4,665
Property, plant and equipment	10	798,636	798,693	642,394	642,458
Investment property		-	3	-	3
Other investments / financial assets	11	870	25,415	1,498	23,800
Receivables	14	15,657	15,665	5,645	5,645
Total non-current assets		**831,270**	**855,883**	**654,202**	**676,571**
Current assets					
Inventories	13	21,809	21,809	21,892	21,892
Receivables	14	88,379	88,571	108,561	109,062
Non-current assets held for sale	12	2,510	2,510	210	210
Cash and cash equivalents	15	319,112	323,320	271,199	277,419
Total current assets		**431,810**	**436,210**	**401,862**	**408,583**
Current liabilities					
Trade and other payables	16	(382,849)	(382,926)	(321,349)	(321,542)
Borrowings	18	(24,001)	(24,001)	(20,290)	(20,290)
Provisions	19	(52,636)	(52,636)	(24,875)	(24,875)
Other liabilities	17	(59,360)	(62,687)	(35,084)	(36,778)
Total current liabilities		**(518,846)**	**(522,250)**	**(401,598)**	**(403,485)**
Total assets less current liabilities		**744,234**	**769,843**	**654,466**	**681,669**
Non-current liabilities					
Trade and other payables	16	-	-	(2,598)	(2,598)
Borrowings	18	(371,694)	(371,694)	(374,948)	(374,948)
Provisions	19	(13,903)	(13,903)	(16,622)	(16,622)
Other liabilities	17	(2,386)	(2,386)	(3,817)	(3,817)
Total non-current liabilities		**(387,983)**	**(387,983)**	**(397,985)**	**(397,985)**
Total assets employed		**356,251**	**381,860**	**256,481**	**283,684**
Financed by					
Public dividend capital	SoCIE	408,780	408,780	258,929	258,929
Revaluation reserve	SoCIE	97,411	97,411	63,492	63,492
Income and expenditure reserve	SoCIE	(149,940)	(149,940)	(65,940)	(65,940)
Charitable fund reserves	31	-	25,609	-	27,203
Total taxpayers' equity		**356,251**	**381,860**	**256,481**	**283,684**

The notes on pages 7 to 46 form part of these accounts.

Name: Sir Mike Deegan
Position: Group Chief Executive Officer
Date: 20/06/2022



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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**258,929**	**63,492**	**(65,940)**	**256,481**
Surplus/(deficit) for the year	-	-	(11,318)	**(11,318)**
Transfers by absorption: transfers between reserves	65,489	5,352	(70,841)	**-**
Revaluations	-	28,567	-	**28,567**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	**-**
Public dividend capital received	84,462	-	-	**84,462**
Public dividend capital repaid	(100)	-	-	**(100)**
Alignment of accounting policies following transfer by absorption	-	-	(1,841)	**(1,841)**
Taxpayers' and others' equity at 31 March 2022	**408,780**	**97,411**	**(149,940)**	**356,251**

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**208,994**	**49,424**	**(22,065)**	**236,353**
Surplus/(deficit) for the year	-	-	(37,181)	**(37,181)**
Transfers by absorption: transfers between reserves	-	1,296	(1,296)	**-**
Impairments	-	(750)	-	**(750)**
Revaluations	-	3,835	-	**3,835**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	**-**
Public dividend capital received	49,935	-	-	**49,935**
Other reserve movements	-	9,687	(5,398)	**4,289**
Taxpayers' and others' equity at 31 March 2021	**258,929**	**63,492**	**(65,940)**	**256,481**

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

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**258,929**	**63,492**	**(65,940)**	**27,203**	**283,684**
Surplus/(deficit) for the year	-	-	(14,134)	782	**(13,352)**
Transfers by absorption: transfers between reserves	65,489	5,352	(70,841)	-	**-**
Revaluations	-	28,567	-	-	**28,567**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	440	**440**
Public dividend capital received	84,462	-	-	-	**84,462**
Public dividend capital repaid	(100)	-	-	-	**(100)**
Alignment of accounting policies following transfer by absorption	-	-	(1,841)	-	**(1,841)**
Other reserve movements- Charitable fund	-	-	2,816	(2,816)	**-**
Taxpayers' and others' equity at 31 March 2022	**408,780**	**97,411**	**(149,940)**	**25,609**	**381,860**

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**208,994**	**49,424**	**(22,065)**	**24,265**	**260,618**
Surplus/(deficit) for the year	-	-	(37,181)	3,368	**(33,813)**
Transfers by absorption: transfers between reserves	-	1,296	(1,296)	-	**-**
Impairments	-	(750)	-	-	**(750)**
Revaluations	-	3,835	-	-	**3,835**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	3,859	**3,859**
Public dividend capital received	49,935	-	-	-	**49,935**
Other reserve movements	-	9,687	(5,398)	(4,289)	**-**
Taxpayers' and others' equity at 31 March 2021	**258,929**	**63,492**	**(65,940)**	**27,203**	**283,684**

Statement of Cash Flows

	Note	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Cash flows from operating activities					
Operating (deficit) / surplus		(31,481)	(34,040)	4,977	3,520
Non-cash income and expense:					
Depreciation and amortisation	3	35,906	35,913	28,660	28,667
Net impairments	8.1	91,430	91,430	77,525	77,525
Income recognised in respect of capital donations	2	(6,677)	(3,861)	(5,321)	(1,032)
Decrease in receivables and other assets		15,457	15,457	8,781	6,507
Decrease / (Increase) in inventories		1,019	1,019	(3,274)	(3,274)
Increase in payables and other liabilities		68,715	68,715	129,585	129,585
(Decrease) / Increase in provisions		18,758	18,758	13,507	13,507
Movements in charitable fund working capital		-	1,817	-	1,849
Other movements in operating cash flows		(3)	(3)	-	-
Net cash flows from operating activities		**193,124**	**195,205**	**254,440**	**256,854**
Cash flows from investing activities					
Interest received		154	154	30	30
Purchase of intangible assets		(22,275)	(22,275)	(16,962)	(16,962)
Purchase of PPE and investment property		(160,322)	(160,322)	(96,362)	(96,362)
Receipt of cash donations to purchase assets		5,994	3,178	4,289	-
Net cash flows from charitable fund investing activities		-	(1,277)	-	536
Net cash flows used in investing activities		**(176,449)**	**(180,542)**	**(109,005)**	**(112,758)**
Cash flows from financing activities					
Public dividend capital received	SoCIE	84,462	84,462	49,935	49,935
Public dividend capital repaid	SoCIE	(100)	(100)	-	-
Loans from DHSC - received	18.1	2,600	2,600	3,200	3,200
Loans from DHSC - repaid	18.1	(8,291)	(8,291)	(7,125)	(7,125)
Repayment of other loans	18.1	(637)	(637)	(802)	(802)
Capital element of PFI service concession payments	18.1	(12,284)	(12,284)	(11,614)	(11,614)
Interest on loans		(3,139)	(3,139)	(2,709)	(2,709)
Other interest		(1)	(1)	-	-
Interest paid on PFI service concession obligations		(37,684)	(37,684)	(38,181)	(38,181)
PDC dividend paid		-	-	(221)	(221)
Net cash flows from / (used in) financing activities		**24,926**	**24,926**	**(7,517)**	**(7,517)**
Increase in cash and cash equivalents		**41,601**	**39,590**	**137,918**	**136,579**
Cash and cash equivalents at 1 April - brought forward		**271,199**	**277,419**	**133,281**	**140,840**
Cash and cash equivalents transferred under absorption accounting	2.7	6,311	6,311	-	-
Cash and cash equivalents at 31 March	15	**319,112**	**323,320**	**271,199**	**277,419**

Notes to the Accounts - 1. Accounting Policies and other information

1.1 Basis of Preparation

NHS Improvement (NHSI), in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust and the Group (see Note 1.4 below in respect of Consolidation and Group Accounting), for the purpose of giving a true and fair view, has been selected. The particular policies adopted by the Trust and the Group are described below. They have been applied consistently in dealing with items considered material in relation to these Accounts.

1.2 Accounting Convention

These Accounts have been prepared under the historical cost convention, modified to account for the revaluation of land, buildings and investments, by reference to their most recent valuations. Plant, equipment and intangible assets are held at depreciated historic cost. The Accounts are presented rounded to the nearest thousand pounds.

1.3 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. Management has a reasonable expectation that this will continue to be the case.

1.4 Consolidation of Subsidiaries and Group Accounting

The Trust is the corporate trustee to Manchester University NHS Foundation Trust Charity (MFT Charity). The MFT Charity is a charity registered (No.1049274) with the independent regulator, the Charity Commission, to whom it is accountable. The Trust has assessed its relationship to the Charity and determined it to be a subsidiary, the Trust has the sole power to govern the financial and operating policies of the Charity, so as to obtain benefits from the Charity's activities for itself, its patients and its staff.

The MFT Charity's statutory accounts will be prepared to 31 March 2022 in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard 102 (FRS 102). On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions as follows:

● The Charity's individual statements and notes to the Accounts are adjusted firstly for one difference in accounting policy. This relates to expenditure accounted for on a commitment basis which is not permitted under the Trust's and the Group's accounting conventions, as set out above; and

Notes to the Accounts - 1. Accounting Policies (Continued)

● The Charity's individual statements and notes to the Accounts are adjusted in respect of transactions and balances which have taken place between the Trust and the Charity. These intra company balances and transactions are eliminated on consolidation and the resulting figures for Income and Expenditure; gains and losses; assets and liabilities; reserves; and cash flows, are then consolidated with those of the Trust, to form the Group Accounts. The classification of the investments follow the accounting standard IFRS9 and they are classified as fair value through through Other Comprehensive Income instruments.

These Accounting Policies apply to both the Trust and the Group. The MFT Charity's latest Audited Accounts, which have been prepared in accordance with the UK Charities Statement of Recommended Practice (SORP), can be obtained from the Charity Commission website. Accounts for the financial year ending 31 March 2022 will be prepared by the Charity, and will be submitted to the Charity Commission.

The MFT Charity is based at the following address:-
Citylabs, Maurice Watkins Building, Nelson Street, Manchester. M13 9NQ.

As a subsidiary of the Trust, the Charity is able to transfer funds to the Trust, providing that this funding is over and above what the NHS would normally provide, and is in line with the objectives of the Charity.

The MFT Charity is the Trust's sole subsidiary.

1.5 Acquisitions and Discontinued Operations

Activities are considered to be "acquired" only if they are taken on from outside the public sector. Activities are considered to be "discontinued" only if they cease entirely. They are not considered to be "discontinued" if they transfer from one NHS body to another (see also Notes 1.33 & 2.7). The Trust and the Group did not have any acquisitions or discontinued operations during the year to 31 March 2022.

1.6 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's and the Group's Accounting Policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, and for other areas, where precise information is not readily apparent from any source. The estimates and associated assumptions are based on historical experience and other factors which are considered to be relevant. Actual results may differ from those estimates, and the estimates and underlying assumptions are continually reviewed and updated. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in future periods, as well as that of the revision, if required.

Key Judgements and Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:-

Valuation of Land and Buildings

The valuation of the Trust's land and buildings is subject to estimation uncertainty. Independent valuers provide advice on valuations, as at 31 March 2022, of the Trust's and the Group's land and building assets (estimated financial value and estimated remaining useful life), applying a Modern Equivalent Asset method of valuation for an optimised building and alternate site with regards to land. This is based on a theoretical configuration of facilities on the Trust main hospital sites, providing a more efficient and compact design. The Trust considers that in line with the GAM this is an appropriate basis. More detail of the desktop valuation and the carrying amounts of the Trust's Land and Buildings is included in note 10.

The valuation exercise was carried out in January 2022 with a valuation date of 31 March 2022, applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2017 ('Red Book').

Notes to the Accounts - 1. Accounting Policies (Continued)

Of the £646m net book value of land and buildings subject to valuation, £626m relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets.

An increase of 1% in the land and building values would result in a net book value of £652m and an increase of 5% would result in a net book value of £678m

It is possible that the COVID-19 pandemic will affect the Trust's future assessment of what would be required in a modern equivalent asset, but as yet there is insufficient evidence to affect the assumptions used in the valuation.

Financial value of provisions for liabilities and charges

The Trust and the Group make financial provisions for obligations of uncertain timing or amount at the date of the Statement of Financial Position. These are based on estimates, using as much relevant information as is available, at the time the financial statements are prepared. They are reviewed to confirm that the values included in the financial statements best reflect the current relevant information, and where necessary, the values of the provisions are amended. More detail on this area is given in Note 1.21.

1.7 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 in note 19.

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Further changes were made to the NHS funding regime in 2021/22, with the removal of most top-up and other re-imbursement income streams, and the introduction of the Elective Recovery Fund. These have changed the income available to the Trust, but the total envelope of funds remains of a similar size, such that the trust expects to be able to achieve it's financial target for the year.

Notes to the Accounts - 1. Accounting Policies (Continued)

The decommissioning and closure of the Nightingale Northwest Hospital was announced in March 2021 and achieved in April. The amount of income that the trust has received to support it's hosting of this facility has therefore been significantly smaller than the previous year.

Other income recognised due to the COVID-19 pandemic relates to donated Personal Protection Equipment (PPE) from the DHSC, this has been recognised as notional income of £5.295m in note 2.1.

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.

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

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.

Apprenticeship Service Income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit for the staff member.

1.8 Employee Benefits

1.8.1 Short-Term Employee Benefits

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

Notes to the Accounts - 1. Accounting Policies (Continued)

1.8.2 Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes or the National Employment Savings Trust (NEST). Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions or NEST website at:-
www.nhsbsa.nhs.uk/pensions and https://www.nestpensions.org.uk.

Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting Valuation - NHS Pension Scheme

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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

Notes to the Accounts - 1. Accounting Policies (Continued)

Employer's pension cost contributions for all schemes are charged to operating expenses as and when they become due. In 2021/2022 these contributions amounted to £174.181m (2020/21: £144.330m), as detailed in note 4.

1.9 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that, they have been received, and is always measured (at least initially) at the cost of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a Non-Current Asset, e.g. property or equipment (see Note 1.11 below).

Other expenditure recognised due to the COVID-19 pandemic relates to donated Personal Protection Equipment (PPE) from the DHSC, this has been recognised as notional expenditure of £7.07m (2020/21: £28.123m) in note 3. This cost has been funded by the notional income detailed in note 2.1.

1.10 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 Trust or the Group;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and
- The item has a cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, 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, unit, project or service, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are grouped into categories based on similar asset lives, and the groups (categories) are treated as separate assets and depreciated over their own individual useful economic lives.

Measurement

Valuation

All property, plant and equipment is measured initially at cost, representing the cost 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. All assets held for their service potential are measured subsequently at current value in existing use.

Land and buildings used for the Trust's services are stated in the Statement of Financial Position at their revalued amounts, being the current value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are undertaken with sufficient regularity to ensure that carrying amounts are not materially different to those that would be determined at the end of the reporting period. Current values are determined as follows:

Notes to the Accounts - 1. Accounting Policies (Continued)

Land is valued on an alternate site basis using market value for existing use. The area of this alternate site is of sufficient size for the optimally designed building using the optimal site method referred to below.

Specialised operational buildings are held at depreciated replacement cost and are measured on a modern equivalent asset basis. In agreement with the District Valuer, the NHS Foundation Trust has applied an 'optimal site' valuation which recognises any efficiencies that could be obtained if the site were to be rebuilt, whilst allowing the current level of service provision to be maintained. The valuation of buildings managed and maintained by the Trust's PFI partner exclude VAT. Operational buildings are considered for impairment.

Property, Plant and Equipment assets are tested for impairment to ensure the carrying value does not exceed the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at current value in existing use. Assets are revalued, and depreciation commences, when they are brought into use.

Equipment assets are carried at Depreciated Historic Cost, as this is not considered to be materially different from current value in existing use.

Subsequent Expenditure
Where subsequent expenditure enhances an asset beyond its original specification, and it is probable that additional future economic benefits or service potential will flow to the Trust and the Group, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to a specification appropriate for its economic life, the expenditure is treated as a revenue expense.

Revaluation gains and losses
An increase arising on revaluation is taken to the Revaluation Reserve, except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to the Statement of Comprehensive Income (SoCI), to the extent of the decrease previously charged there. A revaluation decrease is recognised as an Impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to operating expenditure. Gains and losses recognised in the Revaluation Reserve are reported as "Other Comprehensive Income" in the SoCI.

Impairments
In accordance with the GAM, impairments which are due to a loss of economic benefits or service potential in the asset are also charged to operating expenses. A compensating transfer is made from the Revaluation Reserve to the Income and Expenditure Reserve of an amount equal to the lower of:-

(i) The impairment charged to operating expenses; or
(ii) The balance in the Revaluation Reserve attributable to that asset before the impairment.

An impairment which arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances which gave rise to the loss are themselves reversed. Where, at the time of the original impairment, a transfer was made from the Revaluation Reserve to the Income and Expenditure Reserve, an amount is transferred back to the Revaluation Reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses, and reversals of "other impairments" as revaluation gains.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.11 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's and the Group's business, or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and the Group; where the cost of the asset can be measured reliably; and where the cost is at least £5,000.

Expenditure on research; internally-generated goodwill; brands; mastheads; publishing titles; customer lists and similar items are not capitalised: they are recognised as Operating Expenses in the period in which they are incurred.

Expenditure on development is only capitalised where:-
- the project is technically feasible to the point of completion, and will create an Intangible Asset;
- the Trust and the Group intend to complete the asset and sell or use it;
- the Trust and the Group have the ability to sell or use the asset;
- the economic or service delivery benefits can be demonstrated;
- the Trust and the Group have adequate resources to complete the development;
- and the development costs can be reliably measured.

Software

Software which is integral to the operation of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, for example application software, is capitalised as an Intangible Asset.

Measurement

Intangible Assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point at which it is capable of operating in the manner intended by management. Subsequently, Intangible Assets are measured at current value in existing use. Revaluation Gains, Losses and Impairments are treated in the same manner as for Property, Plant and Equipment (see Note 1.10). The amount initially recognised for internally-generated Intangible Assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated Intangible Asset can be identified, the expenditure in question is written off through the Statement of Comprehensive Income in the period in which it is incurred. Internally-developed software is held at Historic Cost to reflect the opposing effects of increases in development costs, versus technological advances.

1.12 Depreciation, Amortisation and Impairments

Freehold land is not depreciated, as it is considered to have an indefinite life.

Property, Plant and Equipment which has been reclassified as "Held for Sale" ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Otherwise, depreciation and amortisation are charged to write off the cost or valuation, less any residual value, of Property, Plant and Equipment and Intangible Non-Current Assets, over their estimated useful lives, in a manner which reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust and the Group expect to obtain economic benefits or service potential from the asset. This life is specific to the Trust and the Group, and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed periodically, with the effect of any changes being recognised on a prospective basis. Note 10.3 to these Accounts gives details of the Useful Economic Lives of the Trust's and the Group's Property, Plant and Equipment assets.

Notes to the Accounts - 1. Accounting Policies (Continued)

Where assets are non-operational for a short period while management decide on their future use, they are retained at their current valuation, although depreciation ceases from the date they are taken out of use.

Finance leased assets are depreciated over the shorter of the useful economic life or the lease term, unless the Trust and the Group expect to acquire an asset at the end of its lease term, in which it is depreciated in the same manner as owned assets above.

If there has been an impairment loss, the asset is written down to its recoverable amount, with the loss charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount, but capped at the amount which would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there, and thereafter to the Revaluation Reserve.

If there has been an impairment loss on assets in the course of construction for the Estates and major IT projects (HIVE EPR) they will be written down to their recoverable amount. All other IT assets in the course of construction will be reviewed for imparirment at such time as they are brought into use.

1.13 Donated Assets

Donated Non-Current Assets are capitalised at their fair value on receipt, with the corresponding receipt credited to the Statement of Comprehensive Income, in accordance with the principles of IAS 20, unless the donor has imposed a condition that the future economic benefits embodied in the donation are to be consumed in a manner specified by them. In this case, the donation is deferred within liabilities (note 17), and carried forward to future financial years, to the extent that the condition has not yet been met. Donated Assets are subsequently valued, depreciated and impaired as described above for purchased assets.

1.14 Government and Other Grants

Government Grants are grants from Government bodies, other than income from NHS bodies for the provision of services. Revenue Grants are reported through the Statement of Comprehensive Income to match the expenditure incurred. Capital Granted Assets are treated in the same manner as Donated Assets (as outlined above), and in accordance with the principles of IAS 20.

In 2020/21 this included 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. There have been no equivalent transaction in 2021/22.

Note 2.1 and Note 10.1 details the £0.683m of donated / granted equipment from DHSC for COVID response in 2021/22 (£1.032m 2020/21). The majority of this equipment is ventilators for use in the Trust.

1.15 Surplus Non-Current Assets - Held for Sale or to be Scrapped or Demolished

A Non-Current Asset which is surplus, with no plan to bring it back into use, is valued at Fair Value under IFRS 13, if it does not meet the requirements of IAS 40 in respect of investment properties, or IFRS 5 in respect of non-current assets held for sale.

In general, the following conditions must be met at the Statement of Financial Position date, for an asset to be classified as Held for Sale:-

- Management is committed to a plan to sell;
- The asset is available for immediate sale in its present condition;
- The sale is highly probable; and
- The asset is being actively marketed for sale at a price reasonable in relation to its Fair Value.

Following reclassification, Assets Held for Sale are measured at the lower of their existing carrying amount, and their "Fair Value less costs to sell". Assets are derecognised when all material sale contract conditions are met.

Notes to the Accounts - 1. Accounting Policies (Continued)

Property, Plant and Equipment that is to be scrapped or demolished does not qualify for recognition as Held for Sale. Instead, it is retained as an operational asset and its economic life is adjusted. Such assets are derecognised when they are scrapped or demolished.

1.16 Leases

The Trust considers the leases it has entered into in line with IAS 17 Leases. Under IAS 17, leases of property, plant and equipment are classified as either finance leases or operating leases, according to their characteristics as set out in the standard. As well as this, in applying IFRIC 4 - determining whether an arrangement contains a lease, collectively significant rental arrangements that do not have the legal status of a lease but convey the right to use an asset for payment are accounted for under the Trust's lease policy, where fulfilment of the arrangement is dependent on the use of specific assets.

Finance leases

The Trust assesses the terms of each individual lease agreement to determine whether substantially all the risks and rewards of ownership are borne by the Trust.

Where substantially all of the risks and rewards of ownership of a leased asset are borne by the Trust or the Group, the asset is recorded as Property, Plant and Equipment, and a corresponding liability is recorded. The value at which both the asset and the liability are recognised is the lower of the Fair Value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of return on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of Property, Plant and Equipment.

The annual rental is split between the repayment of the liability and a finance cost. This annual finance cost is calculated by applying the implicit interest rate to the outstanding liability, and is charged to finance costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the arrangement is discharged or cancelled, or when it expires.

Operating Leases

Leases other than Finance Leases are regarded as Operating Leases, and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are treated as a reduction to the lease rentals, and reflected in operating expenses over the life of the lease.

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. Leases of land are treated as Operating Leases.

1.17 Private Finance Initiative (PFI) Transactions

The Treasury has determined that public bodies shall account for infrastructure PFI schemes, where the public body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement, as service concession arrangements, following the principles and requirements of IFRIC 12. Therefore, in accordance with IAS 17, the Trust and the Group recognise their PFI asset as an item of Property, Plant and Equipment, together with a corresponding finance lease liability to pay for it.

Notes to the Accounts - 1. Accounting Policies (Continued)

The annual PFI unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:-
a) Payment for the fair value of services received - recognised in operating expenses;
b) Payment for the PFI asset, including finance costs (charged to the Statement of Comprehensive Income) and, if applicable, prepayments for assets not yet in operational use; and
c) Payment for the replacement of components of the asset during the contract, known as "lifecycle replacement".

Services Received
The fair value of services received in the year is recorded under the relevant expenditure headings within operating expenses.

PFI Assets
The Trust's PFI assets are recognised as Property, Plant and Equipment when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value, which is kept up to date in accordance with the Trust's and the Group's approach for each relevant class of asset, in accordance with the principles of IAS 16.

PFI Liability
A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the current value of the PFI assets, and is subsequently measured as a Finance Lease Liability in accordance with IAS 17.

The element of the annual Unitary Payment which is allocated as a Finance Lease Rental is applied to meet the annual finance cost, and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease, in accordance with IAS 17. This amount is not included in the minimum lease payments, but is instead treated as contingent rent, and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability, and is therefore disclosed as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle Replacement
An element of the annual unitary payment is allocated to lifecycle replacement, and is pre-determined for each year of the contract, by reference to the operator's planned programme of lifecycle replacement.

1.18 Inventories
Inventories (Stocks) are valued at the lower of cost and net realisable value, with the exception of :-
a) Pharmacy inventories - these are valued at average cost, and
b) Inventories recorded and controlled via the Materials Management System, these are valued at current cost.

This is considered to be a reasonable approximation to net realisable value due to the high turnover of stocks.

In 2021/22 and 2020/21, the Trust received inventories including personal protective equipment (PPE) from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.19 Cash and Cash Equivalents

Cash is defined as cash in hand, and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments which mature in 3 months or less from the date of acquisition, and which are readily convertible to known amounts of cash with insignificant risk of change in value.

1.20 Contingencies

A Contingent Asset is a possible asset which arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust or the Group. Contingent Assets are not recognised in the Statement of Financial Position, but are disclosed at Note 21.1 to these Accounts, where an inflow of economic benefits is possible.

Contingent Liabilities are similarly not recognised in the Statement of Financial Position but, as with Contingent Assets above, are disclosed in Note 21.1 to these Accounts, unless the probability of a transfer of economic benefits is remote. Contingent Liabilities are defined as:-

a) 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 Trust's or the Group's control; or

b) 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.

Where the time value of money is material, Contingencies are disclosed at their present value.

1.21 Provisions

The Trust and the Group provide for legal or constructive obligations which are of uncertain timing or amount at the Statement of Financial Position date, on the basis of the best possible reliable estimate of the expenditure and when it is considered probable that there will be a future outflow of 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 one or more of the Discount Rates published and mandated by HM Treasury.

In 2021/2022 the only such Discount Rate applicable to the Trust or the Group was minus 1.3% (2020/2021:minus 0.95%) for Post Employment Benefits - specifically the costs of Pensions and Injury Benefits, for which the Trust and the Group are obliged to pay.

NHS Resolution (NHSR) operates a risk pooling scheme (the Clinical Negligence Scheme for Trusts or CNST), under which the Trust and the Group pay an annual contribution to the NHSR which, in return, settles all Clinical Negligence Claims. Although NHSR is administratively responsible for all Clinical Negligence cases, the legal liability remains with the Trust and the Group. The total value of Clinical Negligence provisions carried in its Accounts by the NHSR, on behalf of the Trust and the Group, is disclosed at Note 20.2.

1.22 Non-Clinical Risk Pooling

The Trust and the Group participate in the Property Expenses Scheme, and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust and the Group pay an annual contribution to the NHSR, and in return receive assistance with the costs of claims arising. The annual membership contributions, and any ‘excesses’ payable in respect of particular claims, are charged to operating expenses as and when the liability to make payment arises.

Other commercial insurance held by the Trust and the Group includes that for (building) contract works, motor vehicles, personal accidents, and group travel (for clinical staff required to work off-site, as well as overseas travel). The annual premium and any excesses payable are charged to Operating Expenses as and when the liability arises.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.23 Financial Assets and Financial Liabilities

Recognition

Financial assets and financial liabilities arise where the Trust or Group is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by Office of National Statistics.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and Measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through profit and loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets are classified as subsequently measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan. In the current financial year the interest revenue is minimal as HM Treasury are no longer paying interest on the funds held in the Government Bank Accounts where the majority of the Trust's cash is deposited.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Notes to the Accounts - 1. Accounting Policies (Continued)

The Trust holds equity investments as financial assets measured at fair value through profit and loss. For those equity investments that are not quoted, cost has been applied as an appropriate estimate of fair value on the basis that there is a wide range of possible fair value measurements for these unquoted investments - as such, cost is the best and most reliable estimate of fair value of the investments in the absence of a quoted market value. For those investments that are quoted, the fair value of the equity investment is the share price at the balance sheet date.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to profit and loss, except where the Trust elected to measure an equity instrument in this category on initial recognition.

The Trust has designated the equity investments that are held by the Charity as financial assets held at fair value through other comprehensive income.

Impairment of Financial Assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through Other Comprehensive Income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition of Financial Assets and Liabilities

All Financial Assets are derecognised when the rights to receive cash flows from the assets have expired, or the Trust and the Group have transferred substantially all of the risks and rewards of ownership. Financial Liabilities are derecognised when the obligation is discharged or cancelled, or it expires.

1.24 Value Added Tax

Most of the activities of the Trust and the Group 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 Non-Current Assets. Where output tax is charged or input tax is recoverable, the transactions in question are recorded net of VAT in these financial statements and this applies to assets and liabilities as well as expenses.

1.25 Foreign Currencies

The Trust's and the Group's functional and presentational currency is Sterling. The Trust and the Group do not record or trade in any transactions denominated in a foreign currency.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.26 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised as assets in these financial statements, since the Trust and the Group have no beneficial interest in them. However, details of Third Party Assets held by the Trust and the Group are given in Note 15, in accordance with the requirements of the Treasury's Financial Reporting Manual (FReM).

1.27 Public Dividend Capital

Public Dividend Capital (PDC) represents Taxpayers' Equity in the Trust and the Group. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an Equity Financial Instrument within the meaning of IAS 32. The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge reflecting the cost of capital utilised by the Trust, is payable as Public Dividend Capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as:-

● the average of the opening and closing value of all liabilities and assets (excluding donated assets, COVID 19 assets COVID 19 PDC, HIP2 Assets under construction, Healthier Together assetsand any PDC dividend balance receivable or payable).
● less the average daily net cash balances held with the Government Banking Service (excluding balances held in GBS accounts that relate to short-term working capital facility).
● less the bonus Provider Sustainability Fund (PSF), (previously Sustainability and Transformation Funding) Receivable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Where the average of Net Relevant Assets is negative, no Dividend will be payable.

1.28 Losses and Special Payments

Losses and Special Payments are items which Parliament would not have contemplated when it agreed funds for the Health Service, or passed legislation. By their nature, they are items which 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 in which individual cases are handled.

Losses and Special Payments are charged to the relevant functional headings in operating expenditure, Note 3 in these financial statements, on an accruals basis. However Note 28 to these financial statements, disclosing the Trust's and the Group's Losses and Special Payments, is compiled directly from the Losses and Compensations Register, which reports financial amounts on an accruals basis, with the exception of provisions for future losses.

1.29 Corporation Tax

Under s519A ICTA 1988 Manchester University NHS Foundation Trust is regarded as a Health Service body, and is therefore exempt from taxation on its Income and Capital Gains. Section 148 of the 2004 Finance Act provided the Treasury with powers to disapply this exemption. Accordingly the Trust and the Group are potentially within the scope of Corporation Tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits exceed £50,000 per annum.

Activities such as staff and patient car parking and sales of food are considered to be ancillary to the core healthcare objectives of the Trust and the Group (and not entrepreneurial), and therefore not subject to Corporation Tax.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.30 Accounting Standards Which Have Been Issued But Have Not Been Adopted

There are no Accounting Standards issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC), which are applicable to the Trust and/or the Group which have been adopted by the Department of Health and Social Care Group Accounting Manual (GAM), but which have not been adopted within these Accounts. However, the following Standards have been issued or amended by the IASB or IFRIC up to the date of publication of the GAM, but have not yet been adopted by the GAM, and therefore also not yet adopted by the Trust and/or the Group:-

Change Published	Financial Year for Which the Change First Applies	Impact
IFRS 16 Leases	HM Treasury have revised the implementation date for UK public sector to 1 April 2022	The exact impact of applying the standard in 2022/23 is being worked through. It is currently estimated that the adoption of the standard will require the recognition of c.£239m Right of Use Assets (along with a corresponding lease liability of the same value) at 1st April 2022. Due to the lack of guidance, the impact of IFRS 16 on the Trust's PFI liablities cannot be quantified.
IFRS 17 Insurance Contracts	Application required for accounting periods beginning on or after 1 January 2023: early adoption is not permitted.	Work has not yet started to understand the impact of this standard across the NHS. At this point in time, IFRS 17 is not expected to have any significant impact on the financial results of the Trust.

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for all leases. The standard also requires the remeasurement of lease liabilities after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition.

For leases commencing in 2022/2023, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2022 in November 2020. The Trust is working to reassess lease calculations and confirm lease activity up to and including 31 March 2022, and as such cannot give a definitive view of the impact of the adoption of the new accounting standard, but the current best estimate is that the trust will recognise right of use assets valued at £132m for property and £107m for equipment (total £239m) at 1st April 2022.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.31 Accounting Standards Issued Which Have Been Adopted Early

No new accounting standards or revisions to existing standards have been early adopted in 2021/2022 by the Trust or the Group.

1.32 Operating Segments

Under IFRS 8, the Trust and the Group are required to disclose financial information across significant Operating Segments, which reflect the way the management runs the organisation. A significant segment is one which:-

i) Represents 10% or more of the income or expenditure of the entity; or
ii) Has a surplus or deficit which is 10% or more of the greater, in absolute amount, of the combined surplus of all segments reporting a surplus, or the combined deficit of all segments reporting a deficit; or
iii) Has assets of 10% or more of the combined assets of all Operating Segments.

Significant central management and support services underpin all Trust activities, and the majority of activities are similar in nature. Research and Training (both less than 10% of turnover) similarly support the Trust's activities (with Training being integral to the provision of healthcare). The Trust therefore considers itself to operate with one segment, being the provision of healthcare services. This view is further supported by the fact that routine Finance Reports are presented to the Board on a Trust-wide basis, analysed by Pay, Non-Pay and Capital.

With regard to the Trust's subsidiary, the Manchester University NHS Foundation Trust Charity, for Group Accounting purposes the charity is considered to be a separate operating segment. The financial results of the Charity are separately disclosed in Note 29.4 to these financial statements, and these statements meet the IFRS 8 requirements for operating segment disclosures.

1.33 Transfers of Functions to and From Other NHS Bodies: Transfers by Absorption

For functions which were transferred to the Trust and/or the Group from another NHS body, the assets and liabilities transferred were recognised in these financial statements as at the date of transfer. The assets and liabilities were not adjusted to Fair Value prior to recognition. The net gain or loss arising, corresponding to the net assets or liabilities transferred, was recognised within the Statement of Comprehensive Income under "Gain/(Loss) From Transfers by Absorption". Any adjustments required to align acquired assets or liabilities to the Trust's and the Group's Accounting Policies were applied after initial recognition, and taken directly to Taxpayers' Equity.

For Non-Current Assets transferred to the Trust and the Group from other NHS bodies, the cost and accumulated depreciation/amortisation balances, from the transferring entity's financial statements, were preserved on recognition in the Trust's and the Group's statements. Where the transferring body recognised Revaluation Reserve balances attributable to the assets in question, the Trust and the Group made a transfer from their Income and Expenditure Reserve, to the Revaluation Reserve, to maintain transparency within Public Sector Accounts.

For functions which the Trust or the Group transferred to another NHS body, the assets and liabilities transferred were derecognised from the financial statements as at the date of transfer. The net loss or gain, corresponding to the net assets or liabilities transferred, was recognised as Non-Operating Expenses or Income, and as above was titled a Gain or Loss from Transfer by Absorption, in the Statement of Comprehensive Income. Any Revaluation Reserve balances attributable to assets derecognised were transferred to the Income and Expenditure Reserve.

The transfer relating to North Manchester is detailed further in the accounts in note 2.7.

2 Operating income from patient care activities

2.1 Income from patient care activities (by nature)

	Trust 2021/22	Group 2021/22	Trust 2020/21	Group 2020/21
Income from Patient Care Activities	**£000**	**£000**	£000	£000
Block contract / system envelope income	1,710,636	1,710,636	1,318,575	1,318,575
High cost drugs income from commissioners	236,564	236,564	181,070	181,070
Other NHS clinical income	2,218	2,218	9,318	9,318
Community Services Income	164,438	164,438	147,190	147,190
Elective Recovery Funding (a)	13,434	13,434	-	-
Private Patient Income	3,313	3,313	2,093	2,093
Additional pension contribution (c)	53,631	53,631	43,929	43,929
Other Clinical Income (d)	6,325	6,325	27,207	27,207
Total income from Patient Care Activities	**2,190,559**	**2,190,559**	**1,729,382**	**1,729,382**
Other Operating Income				
Research and Development	75,219	75,219	62,579	62,579
Education and Training	83,367	83,367	66,880	66,880
Non-Patient Care Services to Other Bodies	45,421	45,421	30,759	30,759
Reimbursement and top up Funding (b)	7,403	7,403	174,079	174,079
Income in respect of employee benefits accounted on a gross basis	8,741	8,741	8,197	8,197
Notional Income from Apprentiship Levy	3,041	3,041	2,681	2,681
Receipt of capital grants and donations	5,994	3,178	4,289	-
Donated Equipment from DHSC for COVID response	683	683	1,032	1,032
Charitable and Other Contributions to Expenditure	448	448	460	460
Rental revenue from operating leases	1,752	1,752	1,816	1,816
Contributions to expenditure - receipt of equipment donated from DHSC for COVID response below capitalisation threshold (e)	6,933	6,933	28,123	28,123
Other Income (f)	43,304	43,304	41,962	41,962
Other - Charity	-	4,662	-	9,268
Total other operating income	**282,305**	**284,151**	**422,856**	**427,835**
Of which:				
Related to continuing operations	282,305	284,151	422,856	427,835
Related to discontinued operations	-	-	-	-

Commissioner Requested Services

The Trust is required by its Commissioners to provide services which ensure service users have continued access to vital NHS services, known as Commissioner Requested Services (CRS). CRS in 2021/22 amounted to £2.125 billion or 97% of Income from Activities (2020/2021: £1.656 billion and 96%). CRS is arrived at by excluding Provider Sustainability Fund income (previously Sustainability and Transformation Funding), Private Patient Income and Other Clinical Income from Total Income Received from Activities.

Explanatory Notes

(a) The Elective Recovery Fund was created for 2021/22 to support NHS providers in starting to address the backlog in elective care caused by the response required by the Covid 19 Pandemic.

(b) The top-up funding was introduced to support the finance regime allocations in recognition of increased costs as a consequence of COVID-19. This principally related to the period 1st April 2020 to 30th September 2020. Subsequently the income reduced and related to the runnning costs of the Nightingale Northwest Hospital and the additional costs of the vaccination effort. The Nightingale Hospital closed and was decommisioned in April 2021

(c) The Trust has been notified of funding to cover the 6.3% increased cost of the Employer Pensions Contribution. This is paid centrally by NHS England, for accounting purposes it is recognised as Income and Expenditure (see note 5) in the Trust accounts.

(d) Other clinical income in 2020/21 included funding due from NHS England relating to the cost of Annual Leave due to the impact of Covid-19 and staff being unable to take their allocation during the financial year. This is not expected in 2021/22.

(e) This is income to the Trust for the Protection Personal Equipment (PPE) which the Trust received directly from DHSC throughout the financial year providing PPE directly to the Trust during the COVID-19 pandemic, note 4 details the expenditure relating to this cost.

(f) Within Other Operating Income the following items are included in Other Income:

	2021/2022 Trust	2021/2022 Group	2020/2021 Trust	2020/2021 Group
Other Income	**£000**	**£000**	£000	£000
Other Income	**27,625**	**27,625**	29,819	29,819
Clinical Excellence Awards	**5,162**	**5,162**	4,359	4,359
Car Parking	**1,595**	**1,595**	400	400
Property Rentals	**5,411**	**5,411**	5,201	5,201
Staff accommodation rental	**87**	**87**	305	305
Crèche Services	**1,036**	**1,036**	915	915
Clinical Tests	**547**	**547**	274	274
Staff contributions to employee benefit schemes	**0**	**0**	0	0
Estates Recharges	**161**	**161**	269	269
Catering	**1,342**	**1,342**	66	66
Pharmacy Sales	**338**	**338**	354	354
Total Other Income	**43,304**	**43,304**	41,962	41,962

2.2 Operating Lease Income

	Trust and Group 2021/2022 £000	Trust and Group 2020/2021 £000
Rents recognised as income during the period	**1,752**	1,816
Total	**1,752**	1,816
Future minimum lease payments due		
not later than one year	**1,762**	1,598
later than one year and not later than five years	**3,636**	3,878
later than five years	**6,220**	4,368
Total	**11,618**	9,844

2.3 Income from patient care activities (by source)

Income from patient care activities received from:	**Trust 2021/22 £000**	**Group 2021/22 £000**	Trust 2020/21 £000	Group 2020/21 £000
NHS England	885,484	885,484	754,143	754,143
Clinical commissioning groups	1,253,519	1,253,519	919,815	919,815
Other NHS providers	2,216	2,216	408	408
NHS other	-	-	374	374
Local authorities	39,700	39,700	38,617	38,617
Non-NHS: private patients	3,313	3,313	2,093	2,093
Non-NHS: overseas patients (chargeable to patient)	1,699	1,699	1,139	1,139
Injury cost recovery scheme	4,626	4,626	4,256	4,256
Non NHS: other	2	2	8,537	8,537
Total income from activities	**2,190,559**	**2,190,559**	**1,729,382**	**1,729,382**

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

	2021/22 £000	2020/21 £000
Income recognised this year	1,699	1,139
Cash payments received in-year	309	265
Amounts added to provision for impairment of receivables	126	384
Amounts written off in-year*	1,803	1,213

* Write-offs have been undertaken following extensive debt collection exercises and review of the probability of recovery. Overseas tariff guidance is followed, whereby CCGs underwrite 50% of the invoice value (75% of standard tariff).

2.5 Additional information on contract revenue (IFRS 15) recognised in the period

	2021/22 £000	2020/21 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	21,145	12,329

2.6 Revenue not recognised this year

Revenue from contracts entered into as at the period end expected to be recognised:	31 March 2022 £000	31 March 2021 £000
- within one year	47,330	18,435
- after one year not later than five years	4,150	3,439
- after five years		
Total revenue allocated to remaining performance obligations	**51,480**	21,874

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from:-.

(i) contracts with an expected duration of one year or less and
(ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

2.7 Transfers by absorption

North Manchester General Hospital Transaction
On the 1st April 2021, the Trust formally acquired the North Manchester General Hospital site, services and associated Charitable Fund from Pennine Acute NHS Foundation Trust, following the approval of the transaction business case by NHS England and NHS Improvement.

The Financial impact of the transaction includes the recognition of the land, buildings and equipment based at the North Manchester site and used to provide the services for which the Trust is now responsible, plus those working capital balances required to support the ongoing running of these services. The table below shows the nature and net book value of the assets and liabilities which transfered to the trust as at 1st April 2021.

The Trust did not pay any consideration in relation to this transfer.

In accordance with the GAM this transaction is recorded as a Transfer by absorption with the resulting gain shown as a gain on absorption. Throughout the accounts asset and liability values will show the impact of this transfer under a separate line where appropriate. The overall value of the net asset represented by the hospital is also recorded as a gain by absorption in the Statement of Comprehensive Income and represents a one off adjustment to the Trust's reserves.

	1 April 2021 £000
Non-Current Assets	
Land	5,976
Buildings (excl dwellings)	58,375
Dwellings	485
Plant and Machinery	14,815
Transport Equipment	5
Information technology	1,840
Furniture and Fittings	219
All other non-current receivables	2,301
Allowance for impairment of contract receivables and assets	(405)
Current Assets	
All other current receivables	3,564
Allowance for impairment of contract receivables and assets	(173)
Inventory of consumables	936
Cash and Cash Equivalents	6,311
Current Liabilities	
Trade payables	(291)
Accruals	(2,690)
Other liabilities	(320)
Loans and Borrowings	(1,448)
Provisions	(6,347)
Non Current Liabilities	
Loans and Borrowings	(17,664)
Gain on Absorption	**65,489**

The net book value of the Information Technology assets shown above was subsequently adjusted immediately after the transaction to reflect the difference between accounting policies of the two trusts, in that MFT treat this kind of equipment as expenditure in year reflecting it's shorter life rather than adding to Non-current Assets. This reduction in value was taken directly to the Income and expenditure reserve as allowed by the GAM. This was the only accounting adjustment needed relating to the transfer and all other accounting policies were aligned.

In addition to the above, the Group received charity balances of approximately £2m made up of investments and cash which were transferred from the Pennine Acute NHS Foundation Trust charity to the MFT charity as at 1st April 2021.

In addition to the gain on absorption above, there were additional transfers of non-current assets of £3,809k for consideration of Nil in transactions with other NHS Bodies. This reduces the net gain for the trust to £61,680k.

3 Operating expenses	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Purchase of healthcare from NHS and DHSC bodies	46,048	46,048	14,659	14,659
Purchase of healthcare from non-NHS and non-DHSC bodies	30,337	30,337	19,615	19,615
Staff and executive directors costs *	1,429,228	1,429,228	1,206,235	1,206,235
Remuneration of non-executive directors	231	231	230	230
Supplies and services - clinical (excluding drugs	227,985	227,985	184,184	184,184
Supplies and services - general	13,693	13,693	13,002	13,002
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response **	7,070	7,070	28,123	28,123
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	252,526	252,526	195,919	195,919
Consultancy costs	3,299	3,299	6,958	6,958
Establishment	18,526	18,526	10,841	10,841
Premises - business rates collected by local	7,885	7,885	14,333	14,333
Premises	49,012	49,012	64,928	64,928
Transport (business travel only)	3,342	3,342	3,213	3,213
Transport (including patient travel)	4,215	4,215	2,396	2,396
Depreciation on property, plant and equipment	35,101	35,108	27,520	27,527
Amortisation on intangible assets	805	805	1,140	1,140
Net impairments	91,430	91,430	77,525	77,525
Increase in provision for impairment of receivables	2,458	2,458	6,489	6,489
Change in provisions discount rate(s)	276	276	392	392
Fees payable to the external auditor				
audit services- statutory audit	102	102	102	102
Charitable fund audit	-	11	-	11
Internal audit costs - non-staff	33	33	221	221
Clinical negligence	54,240	54,240	36,207	36,207
Legal fees	1,334	1,334	1,687	1,687
Insurance	792	792	496	496
Research and development - staff costs	32,725	32,725	28,673	28,673
Research and development - non-staff costs	41,112	41,112	35,320	35,320
Education and training - non-staff costs	9,805	9,805	6,802	6,802
Education and training - notional expenditure funded	3,041	3,041	2,681	2,681
Rentals under operating leases *****	17,479	17,479	17,057	17,057
Redundancy - staff costs	-	-	65	65
Redundancy - non-staff costs	508	508	2,063	2,063
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	66,932	66,932	65,194	65,194
Car parking & security	1,950	1,950	3,080	3,080
Hospitality	17	17	25	25
Other NHS charitable fund resources expended	-	4,387	-	6,418
Other ***	50,809	50,809	69,886	69,886
Total	**2,504,345**	**2,508,750**	**2,147,261**	**2,153,697**
Of which:				
Related to continuing operations	2,504,345	2,508,750	2,147,261	2,153,697
Related to discontinued operations	-	-	-	-

* Further details for pay expenditure is included in Note 4.

** This is expenditure is for the personal Protective Equipment which the Trust has received directly from DHSC during the financial year to be used during the COVID pandemic. The cost of this has be funded as detailed in note 2.1 which provides details of the income to pay for this cost.

***In 2021/22 Other costs £7.4m general provisions and £7.9m professional fees.

**** Other auditor remuneration (external auditor only) are payments for services received in addition to Statutory Audit services and are set out in more detail in Note 5.2.

***** The Trust's Operating Expenses include payments made in respect of Operating Leases as set out in Note 6.

Losses and special payments are reported in the expenditure categories to which they relate. These are also reported in Note 34, Losses and Special Payments.

4 Employee benefits (Trust and Group)

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	1,078,162	930,309
Social security costs	100,980	83,516
Apprenticeship levy	4,753	4,023
Employer's contributions to NHS pensions	174,181	144,330
Pension cost - other	-	261
Temporary staff (including agency)	109,166	76,743
Total gross staff costs	**1,467,242**	**1,239,182**
Of which		
Costs capitalised as part of assets	5,289	4,209

This note does not include the remuneration for non-executive directors.

4.1 Note 4.1 Retirements due to ill-health (Group)

During 2021/22 there were 10 early retirements from the trust agreed on the grounds of ill-health (10 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £558k (£372k in 2020/21).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

5 Operating leases (Trust and Group)

Lessee

This note discloses costs and commitments incurred in operating lease arrangements where Manchester University NHS Foundation Trust is the lessee.

5.1 Operating lease expense

	Land £000	Buildings £000	Other £000	Total £000
Operating lease expense 2021/22				
Minimum lease payments	755	13,245	3,479	17,479
Contingent rents	0	0	0	0
Less sublease payments received	0	0	0	0
Total	755	13,245	3,479	17,479

	Land £000	Buildings £000	Other £000	Total £000
Future minimum lease payments due:				
- not later than one year;	484	8,488	5,434	14,405
- later than one year and not later than five years;	1,441	15,447	7,078	23,966
- later than five years.	638	32,667	201	33,506
Total	**2,563**	**56,602**	**12,713**	**71,878**
Future minimum sublease payments to be received	-	-	-	-

	Land £000	Buildings £000	Other £000	Total £000
Operating lease expense 2020/21				
Minimum lease payments	641	12,098	4,318	17,057
Contingent rents	0	0	0	0
Less sublease payments received	0	0	0	0
Total	641	12,098	4,318	17,057

	Land £000	Buildings £000	Other £000	Total £000
Future minimum lease payments due:				
- not later than one year;	473	8,925	3,845	13,243
- later than one year and not later than five years;	1,459	6,271	8,381	16,111
- later than five years.	-	26,347	996	27,343
Total	**1,932**	**41,543**	**13,222**	**56,697**
Future minimum sublease payments to be received	-		-	

The future minimum lease payments are in respect of 253 operating leases (269, 2020/21), of varying contract values and terms.

5.2 Other auditor remuneration (Trust and Group)

Mazars LLP are the appointed external auditors for the Trust and the Group. Mazars LLP contract commenced on the 1st December 2018, on a 2 year contract with the option to extend for a 12 month period. The contract has now been extended for a further twelve months to December 2022.

In 2021/2022, there were no services provided by the external auditors, Mazars LLP, other than the statutory audit for the Trust's Annual Accounts and the Charity Accounts.

The cost of auditing the Annual Accounts is shown under the heading of 'Fees payable to the external auditor audit services- statutory audit' in Note 3. This charge detailed in Note 3 is inclusive of VAT.

5.3 Limitation on auditor's liability (Trust and Group)

There is no limitation on the auditor's liability for the audit of the Trust's or Charitable funds annual accounts.

6 Finance income

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

	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Interest on bank accounts	154	154	30	30
NHS charitable fund investment income	-	525	-	536
Total finance income	**154**	**679**	**30**	**566**

7 Finance expenditure (Trust and Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2021/22 £000	2020/21 £000
7.1 Interest expense:		
Loans from the Department of Health and	3,077	2,602
Other loans	20	58
Interest on late payment of commercial debt	1	-
Main finance costs on PFI schemes obligations	18,109	18,882
Contingent finance costs on PFI scheme obligations	19,574	19,304
Total interest expense	**40,781**	**40,846**
Unwinding of discount on provisions	(63)	(62)
Total finance costs	**40,718**	**40,784**

7.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Trust and Group)

	2021/22 £000	2020/21 £000
Total liability accruing in year under this legislation as a result of late payments	1	2
Amounts included within interest payable arising from claims made under this legislation	1	-

8.1 Impairment of assets (Trust and Group)

	2021/22 £000	2020/21 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	91,430	77,525
Total net impairments charged to operating surplus / deficit	**91,430**	**77,525**
Impairments charged to the revaluation reserve	-	750
Total net impairments	**91,430**	**78,275**

8.2 Other gains or losses (Trust and Group)

	2021/22 £000	2020/21 £000
Fair value losses on financial assets and investments	(628)	(94)
Total other gains / (losses)	**(628)**	**(94)**

Note 9.1 Intangible assets - 2021/22

Trust and Group	Software licences £000	Development expenditure £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2021 - brought forward	**22,239**	**1,361**	**1,444**	**25,044**
Additions	1,717	-	24,924	**26,641**
Impairments	-	-	(17,785)	**(17,785)**
Reclassifications	-	-	3,391	**3,391**
Valuation / gross cost at 31 March 2022	**23,956**	**1,361**	**11,974**	**37,291**
Amortisation at 1 April 2021 - brought forward	**19,018**	**1,361**	**-**	**20,379**
Provided during the year	805	-	-	**805**
Amortisation at 31 March 2022	**19,823**	**1,361**	**-**	**21,184**
Net book value at 31 March 2022	4,133	-	11,974	16,107
Net book value at 1 April 2021	3,221	-	1,444	4,665

Note 9.2 Intangible assets - 2020/21

Group	Software licences Trust £000	Development expenditure Trust £000	Intangible assets under construction Trust £000	Total Trust and £000
Valuation / gross cost at 1 April 2020 - as previously stated	**21,842**	**1,361**	**42**	**23,245**
Additions	397	-	17,244	**17,641**
Impairments	-	-	(25,996)	**(25,996)**
Reclassifications	-	-	10,154	**10,154**
Valuation / gross cost at 31 March 2021	**22,239**	**1,361**	**1,444**	**25,044**
Amortisation at 1 April 2020 - as previously stated	**17,878**	**1,361**	**-**	**19,239**
Provided during the year	1,140	-	-	**1,140**
Amortisation at 31 March 2021	**19,018**	**1,361**	**-**	**20,379**
Net book value at 31 March 2021	3,221	-	1,444	4,665
Net book value at 1 April 2020	3,964	-	42	4,006

The majority of the 2021/22 additions included as intangible assets above relate to the implementation of the EPIC Electronic Patient Record across the trust as part of the development known as the HIVE project. This will deliver a modern patient electronic record system for all parts of the trust. While this system will deliver significant benefits to the trust in the form of cost savings and patient experience and safety improvements, it is not a commercial investment proposition and as a result the value in use of the system at interim and final stages will be significantly less than the costs incurred to deliver it. Consequently an impairment loss of £17.6m has been recognised in 2021/22 (£16.8m of which relates to the Hive project). Nevertheless the project will deliver an overall positive cash impact and improvements in patient safety and experience over its life.

10.1 Property, plant and equipment

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	Trust	Trust	Trust	Trust	Trust	Trust	Trust	Charity	Group
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**16,563**	**511,460**	**53,849**	**265,271**	**512**	**59,834**	**19,615**	**127**	**927,231**
Transfers by absorption	5,976	58,860	(3,809)	43,360	191	3,227	758	-	**108,563**
Additions	-	1,841	128,446	20,363	214	14,919	263	-	**166,046**
Impairments	(875)	(103,071)	-	(2,091)	-	(11,297)	-	-	**(117,334)**
Reversals of impairments	-	43,689	-	-	-	-	-	-	**43,689**
Revaluations	512	9,923	-	-	-	-	-	-	**10,435**
Reclassifications	-	103,071	(117,759)	-	-	11,297	-	-	**(3,391)**
Transfers to / from assets held for sale	(2,300)	-	-	-	-	-	-	-	**(2,300)**
Alignment of accounting policies following transfer by absorption	-	-	-	-	-	(3,227)	-	-	**(3,227)**
Valuation/gross cost at 31 March 2022	**19,876**	**625,773**	**60,727**	**326,903**	**917**	**74,753**	**20,636**	**127**	**1,129,712**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**30**	**-**	**218,070**	**511**	**47,086**	**19,013**	**63**	**284,773**
Transfers by absorption	-	-	-	28,545	186	1,387	539	-	**30,657**
Provided during the year	-	18,102	-	11,659	20	5,106	214	7	**35,108**
Revaluations	-	(18,132)	-	-	-	-	-	-	**(18,132)**
Alignment of accounting policies following transfer by absorption	-	-	-	-	-	(1,387)	-	-	**(1,387)**
Accumulated depreciation at 31 March 2022	**-**	**-**	**-**	**258,274**	**717**	**52,192**	**19,766**	**70**	**331,019**
Net book value at 31 March 2022	**19,876**	**625,773**	**60,727**	**68,629**	**200**	**22,561**	**871**	**57**	**798,693**
Net book value at 1 April 2021	**16,563**	**511,430**	**53,849**	**47,201**	**1**	**12,748**	**602**	**64**	**642,458**
Net book value at 31 March 2022									
Owned - purchased	19,806	279,496	60,727	61,514	200	22,250	753	57	**444,802**
On-SoFP PFI contracts and other service concession arrangements	-	336,017	-	-	-	-	-	-	**336,017**
Owned - donated/granted	70	10,260	-	5,539	-	311	118	-	**16,298**
Owned - equipment donated from DHSC, UKHSA and NHSE for COVID response	-	-	-	1,576	-	-	-	-	**1,576**
NBV total at 31 March 2022	**19,876**	**625,773**	**60,727**	**68,629**	**200**	**22,561**	**871**	**57**	**798,693**

The Trust's Land and Buildings were revalued by the District Valuer during 2021/22. The above figures are as per the valuation dated 31 March 2022 which applied the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2017 ('Red Book').

Of the £646m net book value of land and buildings subject to valuation, £626m relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets.

During 2021/22, the Trust received land and building assets via a transfer by absorption totalling £81.7m. These assets were transferred from Pennine Acute Healthcare NHS Trust. There was no consideration paid for these assets.The Trust also transferred assets valued at £3.8m to other NHS trusts for Nil consideration

£117m of impairment losses have been recognised. £103m relates to buildings where the capital expenditure incurred is not deemed to result in an increase in the service potential and therefore accounting carrying value of the building. A reversal of impairment losses previously recognised in expenditure totalling £44m has been recognised on those assets that have increased in value following the revaluation by the District Valuer as at March 2022.

10.2 Property, plant and equipment

Group	Land Trust £000	Buildings excluding dwellings Trust £000	Assets under construction Trust £000	Plant & machinery Trust £000	Transport equipment Trust £000	Information technology Trust £000	Furniture & fittings Trust £000	Charitable fund PPE assets Charity £000	Total Group £000
Valuation / gross cost at 1 April 2020 - as previously stated	**15,063**	**514,914**	**31,951**	**244,414**	**512**	**54,484**	**19,601**	**127**	**881,066**
Transfers by absorption	1,500	1,716	-	(207)	-	-	-	-	**3,009**
Additions	-	6,720	84,317	21,064	-	5,350	14	-	**117,465**
Impairments	-	(52,769)	-	-	-	(3,561)	-	-	**(56,330)**
Reversals of impairments	-	4,051	-	-	-	-	-	-	**4,051**
Revaluations	-	(11,876)	-	-	-	-	-	-	**(11,876)**
Reclassifications	-	48,704	(62,419)	-	-	3,561	-	-	**(10,154)**
Valuation/gross cost at 31 March 2021	**16,563**	**511,460**	**53,849**	**265,271**	**512**	**59,834**	**19,615**	**127**	**927,231**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**-**	**-**	**211,131**	**511**	**42,398**	**18,831**	**56**	**272,927**
Transfers by absorption	-	30	-	-	-	-	-	-	**30**
Provided during the year	-	15,711	-	6,939	-	4,688	182	7	**27,527**
Revaluations	-	(15,711)	-	-	-	-	-	-	**(15,711)**
Accumulated depreciation at 31 March 2021	**-**	**30**	**-**	**218,070**	**511**	**47,086**	**19,013**	**63**	**284,773**
Net book value at 31 March 2021	16,563	511,430	53,849	47,201	1	12,748	602	64	642,458
Net book value at 1 April 2020	15,063	514,914	31,951	33,283	1	12,086	770	71	608,139
Net book value at 31 March 2021									
Owned - purchased	16,486	198,904	53,849	43,891	1	12,702	465	64	**326,362**
On-SoFP PFI contracts and other service	-	305,005	-	-	-	-	-	-	**305,005**
Owned - donated/granted	77	7,521	-	2,278	-	46	137	-	**10,059**
Owned - equipment donated from DHSC and NHSE for COVID response	-	-	-	1,032	-	-	-	-	**1,032**
NBV total at 31 March 2021	**16,563**	**511,430**	**53,849**	**47,201**	**1**	**12,748**	**602**	**64**	**642,458**

10.3 Economic Life of Non-Current Assets (Trust and Group)

Economic Life of Non-Current Assets	2021/2022 Minimum Life Years	2021/2022 Maximum Life Years	2020/2021 Minimum Life Years	2020/2021 Maximum Life Years
	Trust and Group	Trust and Group	Trust and Group	Trust and Group
Purchased, Donated or Granted				
Software	**5**	**14**	5	7
Development expenditure	**5**	**7**	5	7
Buildings (Excluding Dwellings)	**1**	**90**	1	90
Plant and Machinery	**1**	**15**	1	15
Transport Equipment	**1**	**10**	1	10
Information Technology	**1**	**10**	1	10
Furniture and Fittings	**1**	**10**	1	10

The above asset lives relate to both intangible and tangible assets.

11 Other investments / financial assets (non-current)

	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Carrying value at 1 April - brought forward	**1,498**	**23,800**	**1,592**	**20,035**
Acquisitions in year	**-**	1,803	**-**	-
Movement in fair value through profit and loss	(628)	(628)	(94)	(94)
Movement in fair value through OCI	**-**	440	**-**	3,859
Carrying value at 31 March	**870**	**25,415**	**1,498**	**23,800**

The Acquistions of Investments in year relate to the transfer of investments previously held by Pennine Acute Hospitals NHS Trust in relation to charitable funds at North Manchester General Hospital.

The Trust reviews all investments on a regular basis to ensure the fair value is reported in the Statement of Financial Position.

12 Non-current assets held for sale and assets in disposal groups (Trust and Group)

	2021/22 Land	2021/22 Buildings	2021/22 Total	2020/21 Total
	£000	£000	£000	£000
Net Book Value at 1st April	**135**	**75**	**210**	**210**
Assets classified as available for sale in the	2,300	-	2,300	-
Net Book Value at 31st March	**2,435**	**75**	**2,510**	**210**

During 2021/22 the trust classified the Stretford Memorial Hospital Site as held for sale, following commercial discussions which indicated the sale was likely to complete within 12 months of 31st March 2022. As at 31 March 2022 the Trust and the Group held two assets for sale, valued at £2.5m (31 March 2021, one asset valued at £210k). The assets are land and buildings situated in Manchester.

13 Inventories (Trust and Group)

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £6,908k of items purchased by DHSC (2020/21: £28,123k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above and are included in the table below in the column marked *.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

31 March 2022

	Drugs	Consumables	Consumables donated from DHSC group bodies*	Energy	Total
	£000	£000	£000	£000	£000
Carrying Value as at 1 April 2021	**7,715**	**13,799**	**0**	**378**	**21,892**
Transfer by absorption	**0**	**722**	**162**	**52**	**936**
Additions	**225,989**	**31,006**	**6,908**	**913**	**264,816**
Inventories Consumed (Recognised in Expenses)	**(227,493)**	**(30,502)**	**(7,070)**	**(770)**	**(265,835)**
Carrying Value at 31st March 2022	**6,211**	**15,025**	**0**	**573**	**21,809**

31 March 2021

	Drugs	Consumables	Consumables donated from DHSC group bodies*	Energy	Total
	£000	£000	£000	£000	£000
Carrying Value as at 1 April 2020	6,987	11,355	0	276	18,618
Additions	160,132	30,070	28,123	102	218,427
Inventories Consumed (Recognised in Expenses)	(159,404)	(27,626)	(28,123)	0	(215,153)
Carrying Value at 31st March 2022	7,715	13,799	0	378	21,892

14.1 Receivables

	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust 31 March 2021 £000	Group 31 March 2021 £000
Current				
Contract receivables - invoiced	38,810	38,810	39,980	39,980
Contract Receivables - not yet invoiced	30,199	30,199	65,277	65,277
Allowance for impaired contract receivables / assets	(10,814)	(10,814)	(13,649)	(13,649)
Prepayments (non-PFI)	17,754	17,754	13,212	13,212
VAT receivable	12,387	12,387	3,741	3,741
Other receivables	43	43	-	-
NHS charitable funds receivables	-	192	-	501
Total current receivables	**88,379**	**88,571**	**108,561**	**109,062**
Non-current				
Contract Receivables - not yet invoiced	15,941	15,941	688	688
Allowance for impaired contract receivables / assets	(3,653)	(3,653)	-	-
Finance Lease Receivable	528	528	528	528
NHS charitable funds receivables	-	8	-	-
Clinician pension tax debtor**	2,841	2,841	4,429	4,429
Total non-current receivables	**15,657**	**15,665**	**5,645**	**5,645**
Of which receivable from NHS and DHSC group bodies:				
Current	26,500	26,500	61,707	61,707
Non-current	2,841	2,841	4,429	4,429

** This debtor has been created following guidance received from NHSI for future cost for tax on clinicians' pensions. This is to be funded by NHS England and has a matching provision included in note 19.

14.2 Allowances for credit losses (Trust and Group)

	2021/22 Contract receivables and contract assets £000	2020/21 Contract receivables and contract assets £000
Allowances as at 1 Apr 2021	**13,649**	**8,128**
Transfers by absorption	578	-
New allowances arising	3,622	6,489
Changes in existing allowances	(1,164)	-
Utilisation of allowances (write offs)	(2,218)	(968)
Allowances as at 31 Mar 2022	**14,467**	**13,649**

15 Cash and cash equivalents movements

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

	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
At 1 April	**317,100**	**271,199**	**133,281**	**140,840**
Transfers by absorption	6,311	6,311	-	-
Net change in year	41,602	39,590	137,918	136,579
At 31 March	**365,013**	**317,100**	**271,199**	**277,419**
Broken down into:				
Cash at commercial banks and in hand	530	4,738	241	6,461
Cash with the Government Banking Service	318,582	318,582	270,958	270,958
Total cash and cash equivalents as in SoFP and SoCF	**319,112**	**323,320**	**271,199**	**277,419**

Third Party Assets of £47k were held by the Trust as at 31 March 2022 (£40k held by the Trust as at 31 March 2021). These are excluded from the Trust's Cash and Cash Equivalents figures disclosed above.

16 Trade and other payables

	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust 31 March 2021 £000	Group 31 March 2021 £000
Current				
Trade payables	31,651	31,651	34,540	34,540
Capital payables	43,000	43,000	33,594	33,594
Accruals	267,713	267,713	205,448	205,448
Social security costs	15,077	15,077	12,148	12,148
VAT payables	266	266	390	390
Other taxes payable	13,932	13,932	10,737	10,737
PDC dividend payable	325	325	-	-
Other payables	10,885	10,885	24,492	24,492
NHS charitable funds: trade and other payables	-	77	-	193
Total current trade and other payables	**382,849**	**382,926**	**321,349**	**321,542**
Total non-current trade and other payables	**-**	**-**	**2,598**	**2,598**
Of which payables from NHS and DHSC group bodies:				
Current	33,574	33,574	25,256	25,256

17 Other liabilities

	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust 31 March 2021 £000	Group 31 March 2021 £000
Current				
Deferred income: contract liabilities	59,360	59,360	35,084	35,084
NHS charitable funds: other liabilities	-	3,327	-	1,694
Total other current liabilities	**59,360**	**62,687**	**35,084**	**36,778**
Non-current				
Deferred income: contract liabilities	2,386	2,386	3,817	3,817
Total other non-current liabilities	**2,386**	**2,386**	**3,817**	**3,817**

18 Borrowings

	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust 31 March 2021 £000	Group 31 March 2021 £000
Current				
Loans from DHSC	8,826	8,826	7,684	7,684
Other Loans	678	678	322	322
Obligations under PFI service concession contracts (excl. lifecycle)	14,497	14,497	12,284	12,284
Total current borrowings	**24,001**	**24,001**	**20,290**	**20,290**
Non-current				
Loans from DHSC	93,307	93,307	84,992	84,992
Other loans	3,748	3,748	827	827
Obligations under PFI service concession contracts (excl. lifecycle)	274,639	274,639	289,129	289,129
Total non-current borrowings	**371,694**	**371,694**	**374,948**	**374,948**

18.1 Reconciliation of liabilities arising from financing activities (Trust and Group)

2021/22	Loans from DHSC £000	Other loans £000	PFI schemes £000	Total £000
Carrying value at 1 April 2021	**92,676**	**1,149**	**301,413**	**395,238**
Cash movements:				
Financing cash flows - payments and receipts of principal	(5,691)	(637)	(12,284)	**(18,612)**
Financing cash flows - payments of interest	(3,102)	(37)	(18,109)	**(21,248)**
Non-cash movements:				
Transfers by absorption	15,173	3,939	-	**19,112**
Application of effective interest rate	3,077	20	18,109	**21,206**
Other changes	-	(8)	7	**(1)**
Carrying value at 31 March 2022	**102,133**	**4,426**	**289,136**	**395,695**

2020/21	Loans from DHSC £000	Other loans £000	PFI schemes £000	Total £000
Carrying value at 1 April 2020	**96,655**	**1,946**	**313,027**	**411,628**
Cash movements:				
Financing cash flows - payments and receipts of principal	(3,925)	(802)	(11,614)	**(16,341)**
Financing cash flows - payments of interest	(2,656)	(53)	(18,882)	**(21,591)**
Non-cash movements:				
Application of effective interest rate	2,602	58	18,882	**21,542**
Carrying value at 31 March 2021	**92,676**	**1,149**	**301,413**	**395,238**

19 Provisions for liabilities and charges (Trust and Group)

	Current 31 March 2022 £000	Non-Current 31 March 2022 £000	Current 31 March 2021 £000	Non-Current 31 March 2021 £000
Pensions- Early departure costs	533	4,651	574	3,049
Pensions- Injury benefits	222	4,432	220	2,804
Other Legal Claims	2,610	-	1,640	0
Restructurings	5,454	745	2,759	5,065
Clinical Pensions Tax Reimbursement	43	2,841	0	4,429
Other	43,774	1,234	19,682	1,275
Totals	**52,636**	**13,903**	**24,875**	**16,622**

19.1 Provisions for liabilities and charges analysis

2021/22	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Re-structuring £000	Clinician pension tax reimbursement £000	Other £000	Total £000
At 1 April 2021	**3,623**	**3,024**	**1,640**	**7,824**	**4,429**	**20,957**	**41,497**
Transfers by absorption	-	-	654	555	495	4,643	**6,347**
Change in the discount rate	102	174	-	-	-	-	**276**
Arising during the year	2,218	1,704	1,446	2,015	-	29,589	**36,972**
Utilised during the year	(540)	(219)	(345)	(215)	-	(731)	**(2,050)**
Reversed unused	(185)	-	(785)	(3,980)	(2,040)	(9,450)	**(16,440)**
Unwinding of discount	(34)	(29)	-	-	-	-	**(63)**
At 31 March 2022	**5,184**	**4,654**	**2,610**	**6,199**	**2,884**	**45,008**	**66,539**
Expected timing of cash flows:							
- not later than one year;	533	222	2,610	5,454	43	43,774	**52,636**
- later than one year and not later than fi	2,163	919	-	745	122	1,234	**5,183**
- later than five years.	2,488	3,513	-	-	2,719	-	**8,720**
Total	**5,184**	**4,654**	**2,610**	**6,199**	**2,884**	**45,008**	**66,539**

2020/21	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Clinician pension tax reimbursement	Other	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2020	**4,221**	**2,938**	**910**	**5,817**	**3,773**	**10,393**	**28,052**
Change in the discount rate	**(201)**	**(63)**	**-**	**-**	656	**-**	**392**
Arising during the year	**192**	**394**	**865**	**2,060**	-	**10,615**	**14,126**
Utilised during the year	**(554)**	**(218)**	**-**	**(8)**	-	**(51)**	**(831)**
Reversed unused	**-**	**-**	**(135)**	**(45)**	-	**-**	**(180)**
Unwinding of discount	**(35)**	**(27)**	**-**	**-**	-	**-**	**(62)**
At 31 March 2021	**3,623**	**3,024**	**1,640**	**7,824**	**4,429**	**20,957**	**41,497**
Expected timing of cash flows:							
- not later than one year;	574	220	1,640	2,759	-	19,682	**24,875**
- later than one year and not later than fi	2,895	902	-	5,065	2,215	1,275	**12,352**
- later than five years.	154	1,902	-	-	2,214	-	**4,270**
Total	**3,623**	**3,024**	**1,640**	**7,824**	**4,429**	**20,957**	**41,497**

Pensions - Early Departure Costs per above relates to sums payable to former employees having retired prematurely due to injury at work. The provision is based upon current and expected benefits advised by the NHS Pensions Agency and the computed life expectancies of pension recipients.

Other legal claims - based on professional assessments, which are uncertain to the extent that they are estimates of the likely outcome of individual cases. Due to the dates of settlement of claims, are based on estimates supplied by NHS Resolution and/or legal advisors.

Restructurings - relates to estimated cost for various service re-design/transformation schemes, which have been committed to by the Trust. These relate to pay-protection and redundancy costs which are anticipated to be settled within a one year period.

Clinician Pension Tax Reimbursement - This relates to the cost incurred to Clinicians for the tax element due to changes relating to Pensions. This is to be funded centrally by NHS England and is anticipated to crystallise from 2021/22 and future years.

Other provisions are made in respect of a number of unconnected liabilities. The Trust has taken professional advice, and used its best estimates in arriving at the provisions. These include provision for potential litigation for contractual obligations. The expected timing of the cash flows shown above is estimated from the best information available to the Trust at this point in time, but these are uncertain.

Other provisions arising in year include £20.4m re. staff grading claims, of which £16.8m is a transfer from trade payables representing the liability as at 31 March 2021.

19.2 Clinical negligence liabilities

At 31 March 2022, £1,287,413k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Manchester University NHS Foundation Trust (31 March 2021: £592,668k).

20 Contingent assets and liabilities

20.1 Contingent liabilities

The Trust also has a contingent liability of £383k (£200k at 31 March 2020) which represents amounts in respect of claims managed by NHS Resolution, and locally managed employment tribunal cases.

21 Revaluation Reserve

	31 March 2022 Trust and Group £000	31 March 2021 Trust and Group £000
Revaluation Reserve at the beginning of the year	**63,492**	49,424
Transfer by absorption	**5,352**	1,296
Net Impairments	**0**	(750)
Revaluations	**28,567**	3,835
Other reserve movements	**0**	9,687
Revaluation Reserve at the end of the period	**97,411**	63,492

During 2021/22, a full valuation was completed by the District Valuer with a valuation date of 31st March 2022.

22 Related party Transactions (Trust and Group)

During the year none of the Board Members or members of the key management staff or parties related to

The Chief Executive is a board member for Manchester Academic Health Science Centre, a research and innovation body hosted by the Trust.

The Group Chairman is a member of the General Assembly for the University of Manchester, one of the Non-Executive directors is the Deputy President and Deputy Vice-Chancellor and a Non-Executive Director is an Independent Co-opted member.

A Group Non-Executive Director is a Governor at the University of Salford

The values relating to the above information are not material transactions.

22 Related party Transactions (Trust and Group) cont.

The Trust has entered into a number of transactions with the University of Manchester, the University of Salford and Manchester Academic Health Science Centre. The values of the Debtors and Creditors as at the 31st March 2022 and the 2021/22 Income and Expenditure transactions are provided in the table below:-

Name of Organisation	Debtor	Creditor	Income	Expenditure
	£'000	£'000	£'000	£'000
University of Manchester	0	485	8,678	17,027
Manchester Academic Health Science Centre	0	0	0	1
University of Salford	43	12	84	297

The Department of Health and Social Care is regarded as a related party. During the year the Trust has had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent department including:

Department of Health and Social Care
NHS England - including Core, North West Commissioning Hub and Greater Manchester Local Office
NHS Bolton CCG
NHS Bury CCG
NHS Eastern Cheshire CCG
NHS Heywood, Middleton And Rochdale CCG
NHS Oldham CCG
NHS Salford CCG
NHS Stockport CCG
NHS Tameside And Glossop CCG
NHS Trafford CCG
NHS Wigan Borough CCG
Health Education England
NHS Resolution
Greater Manchester Mental Health NHS FT
Salford Royal NHS FT
The Christie NHS FT
Public Health England
Manchester Health and Care Commissioning
Greater Manchester Health and Social Care Partnership

In addition, the Trust has had a number of material transactions with other Government Departments and other Central and Local Government bodies, with the greatest amounts relating to Manchester City Council, HM Revenue and Customs, and the NHS Business Services Authority (Pensions Division).

23 Contractual capital commitments

Commitments under Capital Expenditure contracts at 31 March 2022 for the Trust and the Group total £33.755m (31 March 2021 £26.709m) of which £26.098m relates to Property, Plant and Equipment (31 March 2021 £26.671m) and £7.657m relates to Intangible Assets (31 March 2021 £0.038m). All these commitments are expected to be settled within the next 12 month period.

24 Finance Lease Obligations

Neither the Trust nor the Group had any obligations under Finance Leases in the year to 31 March 2022 (Nil in the year to 31 March 2021).

25 On-SoFP PFI service concession arrangements

25.1 On-SoFP PFI service concession arrangement obligations

The predecessor Trusts entered into two PFI contracts which transferred to MFT on 1 October 2017.

In 1998, University Hospital of South Manchester NHS FT entered into 35 year PFI contract with South Manchester Healthcare Limited which expires in 2033. The contract covers the build and operation of two buildings at Wythenshawe hospital – the Acute Unit and the Mental Health Unit.

The Acute Unit consists of an Accident and Emergency department, a burns unit, coronary care unit, intensive care unit, six operating theatres, five medical and five surgical wards, an x-ray department, fracture clinic and renal department.

The Mental Health Unit provides adult and older people's outpatient and inpatient Mental Health services. The Trust sublets the Mental Health Unit to Manchester Mental Health and Social Care Trust. This agreement is treated as an operating lease and the income received is included within operating income.

In 2033, at the end of the PFI contract, the two buildings covered by the contract will transfer from South Manchester Healthcare Ltd to the Trust.

In December 2004, the Central Manchester University Hospital NHS Foundation Trust entered into a 38 year arrangement with Catalyst Healthcare (Manchester) Ltd.

The scheme involved the build and operation of four significant hospital developments on the Trust's Oxford Road Campus at an overall cost of approximately £500m.

In 2042, at the end of the agreement, ownership of the four properties (Manchester Royal Infirmary, Manchester Children's Hospital, Manchester Eye Hospital and St Mary's Hospital) transfers from Catalyst Healthcare (Manchester) Ltd to the Trust.

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position (note that prior year figures have been re-presented to include contingent rent):

	Trust	Group	Trust Restated 31 March 2021	Group Restated 31 March 2021
	31 March 2022 £000	31 March 2022 £000	£000	£000
Gross PFI service concession liabilities	**503,617**	**503,617**	**534,003**	**534,003**
Of which liabilities are due				
- not later than one year;	31,795	31,795	30,393	30,393
- later than one year and not later than five years;	98,331	98,331	108,656	108,656
- later than five years.	373,491	373,491	394,954	394,954
Finance charges allocated to future periods	(214,481)	(214,481)	(232,590)	(232,590)
Net PFI service concession arrangement obligation	**289,136**	**289,136**	**301,413**	**301,413**
- not later than one year;	14,497	14,497	12,284	12,284
- later than one year and not later than five years;	36,936	36,936	44,540	44,540
- later than five years.	237,703	237,703	244,589	244,589

The comparatives figures for this note have been restated to exclude PFI contingent rent costs, which had been previously been included for the Trust's Wythenshawe PFI scheme. The impact of the restatement has been to decrease the comparative figure from £1.021m to £0.981m.

25 On-SoFP PFI service concession arrangements (cont.)

25.2 Total on-SoFP PFI service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Trust	Group	Trust	Group
	31 March 2022 £000	31 March 2022 £000	31 March 2021 £000	31 March 2021 £000
Total future payments committed in respect of the PFI service concession arrangements	**3,054,160**	**3,054,160**	**3,150,982**	**3,150,982**
Of which payments are due:				
- not later than one year;	129,403	129,403	126,677	126,677
- later than one year and not later than five years;	529,061	529,061	517,934	517,934
- later than five years.	2,395,696	2,395,696	2,506,371	2,506,371

25.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Trust 2021/22 £000	Group 2021/22 £000	Trust 2020/21 £000	Group 2020/21 £000
Unitary payment payable to service concession operator	**128,186**	**128,186**	**125,336**	**125,336**
Consisting of:				
- Interest charge	18,109	18,109	18,882	18,882
- Repayment of balance sheet obligation	12,284	12,284	11,615	11,615
- Service element and other charges to operating expenditure	66,932	66,932	65,194	65,194
- Capital lifecycle maintenance	11,287	11,287	10,341	10,341
- Revenue lifecycle maintenance	-	-	-	-
- Contingent rent	19,574	19,574	19,304	19,304
Total amount paid to service concession operator	**128,186**	**128,186**	**125,336**	**125,336**

26 Events after the reporting date

There were no known events following the Statement of Financial Position date, either requiring disclosure, or resulting in a change to the financial statements of the Trust or the Group.

27 Financial instruments

27.1 Financial risk management

IFRS 7 requires disclosure of the role which Financial Instruments have had during the period in creating or changing the risks which a body faces in undertaking its activities. Because of the continuing service provider relationship which the Trust has with its Commissioners, and the way in which those Commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also, Financial Instruments play a much more limited role in creating or changing risk for the Trust than would be typical of listed companies. The Trust has limited powers to borrow or invest surplus funds and Financial Assets and Liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities. For the Group, the MFT Charity does hold investments, and is therefore exposed to a degree of financial risk. This risk is carefully managed by pursuing a cautious, low risk Investment Strategy, and by monthly reviews of the performance of investments.

The Trust's Treasury Management operations are carried out by the Finance Department, within parameters defined formally within the Trust's Standing Financial Instructions, and policies agreed by the Board of Directors. Similarly, for the Group the Treasury Management of the MFT Charity's investments is carried out by the Charity Finance Team, following the policies set down by the Trustee, and subject to the approval of the Charitable Funds Committee. The Trust's and the Group's treasury activities are also subject to review by Internal Audit.

Liquidity Risk

Net operating costs of the Trust are funded under annual Service Agreements with NHS Commissioners, which are financed from resources voted annually by Parliament. The Trust largely finances its capital expenditure from internally generated cash, and funds made available by the Department of Health and Social Care. Additional funding by way of loans has been arranged with the Independent Trust Financing Facility to support major capital developments. The Trust is, therefore, exposed to liquidity risks from the loan funding - however these risks are approved, and comply with NHSI's Risk Assessment Framework. For the Group, the Charity finances all of its expenditure from the resources which have been donated to it, and therefore faces no liquidity risk.

Currency Risk

The Trust and the Group are principally domestic organisations with the overwhelming majority of their transactions, assets and liabilities being in the UK and Sterling based. The Trust and the Group have no overseas operations, and therefore have low exposure to currency rate fluctuations.

Interest Rate Risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. The Trust is not, therefore, exposed to significant interest rate risk. For the Group, the Charity has interest bearing bank balances, which are subject to variable rates of interest. However, all other financial assets, and 100% of financial liabilities, of the Charity carry nil rates of interest. The Charity's bank balances represent approximately 1% of the Group's total Net Assets, and so the Group is not exposed to significant interest rate risk.

Credit Risk

The majority of the Trust's Income comes from contracts with other public sector bodies, and therefore the Trust has low exposure to credit risk. The maximum exposure as at 31 December 2021 is within Receivables from customers, as disclosed in the Trade and Other Receivables Note to these Accounts (Note 14). For the Group, the Charity's Income comes only from Donations, Legacies and Investment Income. Therefore the position of the Group is as for the Trust - the maximum exposure to Credit Risk is in respect of Receivables.

Market Price Risk

The Trust and the Group holds a number of investments at fair value and is therefore exposed to changes in the market price of these investments. This is not considered to be a significant risk to the Trust given the relative immateriality of the value of these investments and the Trust and Group's appetite to risk.

27.2 Carrying values of financial assets (Trust and Group)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	73,367	-	-	**73,367**
Other investments / financial assets	-	870	-	**870**
Cash and cash equivalents	319,112	-	-	**319,112**
Consolidated NHS Charitable fund financial assets	4,400	-	24,545	**28,945**
Total at 31 March 2022	**396,879**	**870**	**24,545**	**422,294**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	96,725	-	-	**96,725**
Other investments / financial assets	-	1,498	-	**1,498**
Cash and cash equivalents	271,199	-	-	**271,199**
Consolidated NHS Charitable fund financial assets	6,721	-	22,302	**29,023**
Total at 31 March 2021	**374,645**	**1,498**	**22,302**	**398,445**

27.3 Carrying values of financial liabilities (Trust and Group)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000
Loans from the Department of Health and Social Care	**102,133**
Obligations under PFI service concessions	**289,136**
Other borrowings	**4,426**
Trade and other payables excluding non financial liabilities	**353,249**
Provisions under contract	**56,701**
Consolidated NHS charitable fund financial liabilities	**-**
Total at 31 March 2022	**805,645**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost £000
Loans from the Department of Health and Social Care	**92,676**
Obligations under PFI service concessions	**301,413**
Other borrowings	**1,149**
Trade and other payables excluding non financial liabilities	**300,672**
Provisions under contract	**33,684**
Consolidated NHS charitable fund financial liabilities	**193**
Total at 31 March 2021	**729,787**

27.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Trust 31 March 2022 £000	Group 31 March 2022 £000	Trust Restated 31 March 2021 £000	Group Restated 31 March 2021 £000
In one year or less	448,932	448,932	358,509	358,509
years	150,024	150,024	165,808	165,808
In more than five years	443,413	443,413	457,160	457,160
Total	**1,042,369**	**1,042,369**	**981,477**	**981,477**

The comparatives figures for this note have been restated to exclude PFI contingent rent costs, which had been previously been included for the Trust's Wythenshawe PFI scheme. The impact of the restatement has been to decrease the comparative figure from £1.021m to £0.981m.

28 Losses and special payments

Group and trust	2021/22		2020/21	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Theft	-	-	-	-
Cash losses	-	-	-	-
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	867	2,448	747	1,623
Stores losses and damage to property	12	62	12	129
Total losses	**879**	**2,510**	**759**	**1,752**
Special payments				
Compensation under court order or legally binding arbitration award	4	44	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	109	58	77	1,470
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**113**	**102**	**77**	**1,470**
Total losses and special payments	**992**	**2,612**	**836**	**3,222**
Compensation payments received		-		-

Losses and Special Payments are reported on an accruals basis, excluding provisions for future losses.

There is one transaction reported within the table above in excess of £300K, which relates to a Bad Debt written off in the year following unsuccessful collection activities

29 Taxpayers' and Others' Equity

29.1 Public Dividend Capital

Public Dividend Capital (PDC) represents the Department of Health and Social Care's equity interest in the Trust, i.e. it is a form of long term Government finance which was initially provided to the Trust when its predecessor organisations were founded as NHS Trusts in 1991, enabling it to acquire its assets from the Secretary of State for Health at that time.

Occasionally specific Capital Expenditure, can be funded by additional PDC being issued to the Trust. During the year the Trust has received £84m comprising £55.6m Buildings, £6.8m Medical Equipment and £22m IT (2020/21 £49.9m comprised of £26.8m building works, £12.5m COVID-19 equipment, £7.8m medical equipment and £2.8m for IT Schemes).

As outlined at Note 1.27 to these Accounts, a PDC Dividend of 3.5% per year is payable by the Trust to the Department of Health and Social Care in respect of the value of the Trust's Average "Net Relevant Assets".

29.2 Revaluation Reserve

The Revaluation Reserve represents differences between the latest valuations of the Trust's land and buildings and their cost, less depreciation to date of the buildings, as outlined in Note 1.10.

29.3 Income and Expenditure Reserve

The Income and Expenditure Reserve represents the accumulation of all surpluses and deficits made by the Trust since its inception.

29.4 Charitable Fund Reserves

The Charitable Fund Reserves are made up as follows:-

- Restricted Funds are those funds which have been donated, with specific purposes stipulated for the use of the Funds.
- Unrestricted funds are those funds which have been donated, and can be used for any appropriate purpose.
- Revaluation Reserve, which reflects the difference between the latest valuation of the Charity's Investments, and the original sums of money invested. The Statement of Financial Activities shows the change in value in the current financial year. The Statement of Financial Position shows the cumulative unrealised gain since the initial investment was made.

30 Prior period adjustments

There have been no prior period adjustments.

31 Consolidation of Charitable Funds - Reconciliation of Charity Accounts to Consolidation Figures - Statement of Financial Activities / Statement of Comprehensive

	Per Charity Accounts 2021/2022	**Consolidation Consistency Adjustments year to 31st March 2022**	**Figures Used in Consolidated Accounts 2021/22**	Per Charity Accounts 2020/21	Consolidation Consistency Adjustments year to 31st March 2021	Figures Used in Consolidated Accounts year to 31st March 2021
	Total Funds £000	**Total Funds £000**	**Total Funds £000**	Total Funds £000	Total Funds £000	Total Funds £000
Income From:						
Donations and Legacies	**4,662**	**0**	**4,662**	**9,268**	0	**9,268**
Investments	**525**	**0**	**525**	**536**	0	**536**
Total	**5,187**	**0**	**5,187**	9,804	0	9,804
Expenditure on:						
Raising funds	**1,720**		**1,720**	**1,996**	**0**	**1,996**
Charitable activities	**4,471**	**1,030**	**5,501**	**8,992**	**(263)**	**8,729**
Total	**6,191**	**1,030**	**7,221**	10,988	(263)	10,725
Net (loss)/gain on investments	**440**	**0**	**440**	**3,859**	**0**	**3,859**
Losses on disposals of assets	**0**	**0**	**0**	0	0	0
Net income/(expenditure)	**(564)**	**(1,030)**	**(1,594)**	2,675	263	2,938
Transfer to Greater Manchester Mental Health Charity			**0**			**0**
Transfer from Wythenshawe Charity to MFT Charity			**0**			**0**
Net movement in funds	**(564)**	**(1,030)**	**(1,594)**	**2,675**	**263**	**2,938**
Total Funds Brought Forward				**0**		**0**
Total Funds Carried Forward	**(564)**		**(1,594)**	(2,320)		(2,844)

Note 1.4 details the reason for the requirement to adjust the values relating to the Charity, when consolidating into the Group Accounts.

The main adjustment is due to the Charity Accounts being completed following the accounting rules detailed in the Statement of Recommended Practice (SORP). This includes accounting for expenditure including any commitments made. The Group accounts are based on International Financial Reporting Standards (IFRS), which does not include the commitment accounting. Therefore, for the purpose of the consolidation the Charity accounts are amended for this difference. These are the consolidation adjustments included note 31 and 32.

32 Consolidation of Charitable Funds - Reconciliation of Charity Accounts to Consolidation Figures - Statement of Financial Position

	Per Charity Accounts	**Consolidation Consistency Adjustments**	**Figures Used in Consolidated Accounts**	Per Charity Accounts	Consolidation Consistency Adjustments	Figures Used in Consolidated Accounts
	31st March 2022	**31st March 2022**	**31st March 2022**	31st March 2021	31st March 2021	31st March 2021
	£000	**£000**	**£000**	£000	£000	£000
Fixed Assets						
Tangible Assets	**57**		**57**	**64**	**0**	**64**
Investments	**24,548**		**24,548**	**22,305**	**0**	**22,305**
Debtors	**8**		**8**	**0**	**0**	**0**
Total Fixed Assets	**24,613**	**0**	**24,613**	22,369	0	22,369
Current Assets						
Debtors	**192**		**192**	**501**	**0**	**501**
Cash at Bank and in Hand	**4,208**		**4,208**	**6,220**	**0**	**6,220**
Total Current Assets	**4,400**	**0**	**4,400**	6,721	0	6,721
Current Liabilities						
Creditors Falling Due Within One Year	**(9,591)**	**6,187**	**(3,404)**	**(8,801)**	**6,914**	**(1,887)**
Net Current Assets	**(5,191)**	**6,187**	**996**	(2,080)	6,914	4,834
Total Assets less Current Liabilities	**19,422**	**6,187**	**25,609**	20,289	6,914	27,203
Non - Current Liabilities						
Provision for Liabilities and Charges	**(374)**	**374**	**0**	**(679)**	**679**	**0**
Total Net Assets	**19,048**	**6,561**	**25,609**	19,610	7,593	27,203
Funds of the Charity						
Restricted Income Funds	**7,572**	**6,561**	**14,133**	**8,255**	**7,593**	**15,848**
Unrestricted Income Funds	**3,117**		**3,117**	**5,241**	**0**	**5,241**
Revaluation Reserve	**8,359**		**8,359**	**6,114**	**0**	**6,114**
Total Charity Funds	**19,048**	**6,561**	**25,609**	19,610	7,593	27,203