Royal Devon University Healthcare NHS Foundation Trust

Annual Report and Accounts 2023/24
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Presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a)
of the National Health Service Act 2006.

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FOREWORD

These accounts are prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

CHAIR'S INTRODUCTION

The year covered by this report was my second as Chair and the second year of the Royal Devon University Healthcare NHS Foundation Trust following the integration of the two former Trusts on 1 April 2022.

The Board of Directors has worked extremely hard over the year to oversee the strategic direction and delivery of the organisation, to manage risk and to steer our culture and values. This has been in line with our Better Together strategy 2022-27, and we approved a number of enabling strategies during the year which set out strategic priorities in specific areas to help us achieve our overall ambitions, including for patient care, workforce, estates, digital and more. The overriding theme of our Board discussions was ensuring we maximise the benefits of our integration for patients across our geography and recovering for the future.

We also focused heavily on quality improvement. In 2023/24, the CQC rated services across the Trust including maternity as 'requires improvement'. As an organisation committed to learning, we have used this feedback positively to improve care.

Although our waiting lists are still longer than we would like, 2023/24 saw improved operational performance. We recognise the impact longer wait times have on our patients and are pleased that by working together, staff have reduced waiting times for elective care and provided urgent care in a timely way, both in our hospitals and in the community.

We still have more to do financially but intense work was undertaken across the Trust this year through our internal financial recovery programme, ensuring we met our agreed financial plan and we were recognised by NHS England for our response to the challenge.

We continue to play a key role in the Devon system. More than ever this year we have worked as a collective with other Trusts, our local government partners and the Integrated Care System to share best practice and find new solutions to meet common challenges and achieve shared ambitions. With many services and facilities available to patients across the county, this partnership working benefits us all.

This year has seen a change in leadership, and I would like to thank Chris Tidman, Deputy Chief Executive Officer, and Paul Roberts, Interim Chief Executive, for the strength and stability they both brought throughout 2023/24. We welcomed our new Chief Executive Officer, Sam Higginson, in January 2024 and we are already seeing the impact of his approach.

Once again, I've been so impressed by the commitment of our colleagues. The progress we have made despite the pressures and resource constraints has been down to each and every individual in our organisation pulling together to do what's best for our patients and communities.

I've been struck too by the invaluable support of our volunteers. Many people give their time in different ways across our services to enhance patient experience. Our Governors make a particularly valuable contribution by representing their communities and each commits real energy and expertise to our work.

We've continued to receive fantastic support from stakeholders, community organisations and charities, and we depend heavily upon the generous contributions made by our Leagues of Friends.

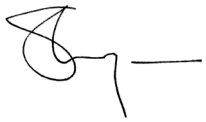
We are meeting our ambitions to be research-led, working with research and academic partners, notably the University of Exeter. The Patient Recruitment Centre in Exeter, hosted by us, achieved excellent results in clinical trials.

We've renewed our commitment as a community partner, publishing our first healthcare inequalities strategy. We continue to work closely with schools and colleges as an anchor institution in Devon to ensure we are an employer of choice and provide opportunities for everybody to make a difference in healthcare.

As we look ahead to 2024/25, we do so with optimism, but without complacency. We have laid strong foundations we can build upon next year, through improving our performance, achieving higher quality, and working towards a financially sustainable future.

I hope every single person in the Royal Devon team - including our colleagues, volunteers, Governors, Leagues, communities, charities and partners - feels positive about what we've achieved this year. I should like to thank all of you for what you have helped us to deliver for our patients and communities.

One thing is certain – as we look to next year, working together across Devon gives us the greatest chance of success in delivering the best possible healthcare services.



Dame Shan Morgan
Chair
Royal Devon University Healthcare NHS Foundation Trust

PERFORMANCE REPORT: OVERVIEW

Performance report overview introduction

The purpose of this overview is to provide a short summary that gives readers information about the Royal Devon University Healthcare NHS Foundation Trust (the Royal Devon), its purpose, the key risks to the Trust achieving its objectives and how it has performed during the year.

The Royal Devon is a foundation Trust and, as such, we are legally required to produce an annual report and accounts. We are obliged, by our regulators, to follow a clear structure and to ensure we include certain mandated information that sets out how we have performed during the preceding financial year and how we have used the resources available to us. Our focus in preparing this report has been to make sure that we give a true and accurate account of our work over the last financial year.

Introduction by the chief executive officer

Welcome to our annual report and accounts 2023/24. This report looks at the last 12 months, talks about the progress we have made and the challenges faced, and describes our priorities for 2024/25.

When I joined as chief executive officer in January 2024, it was clear I'd joined a Trust with strong ambitions for patient care and incredibly committed colleagues, communities and volunteers.

Through working together this year, teams across the Trust have made significant progress in reducing our elective and cancer waiting lists, and in seeing patients more quickly in our urgent and emergency care pathways, including in the community.

We also responded well to the financial challenge, delivering more than £39m of recurrent savings through transforming our services through service redesign and productivity whilst focusing on appropriate cost controls and efficiency which has allowed us to deliver a year-end deficit of £27m.

There have been two reports from the Care Quality Commission into our services this year which have rated us 'requires improvement', one Trust-wide and one which looked at our maternity services. We have taken learning from this feedback.

The plans we are making for 2024/25 will have a continued focus on quality improvement, build upon our successes and begin to move us towards a sustainable future.

As always, staff will be a key focus as we strive to build the sustainability of our workforce and make the Royal Devon a great place to work for our employees. Our efforts on recruitment and retention are having an impact, as in 2023/24 we saw sustained decreases in vacancy levels and turnover. Our results in the 2023 staff survey showed us that this is having a positive impact for our teams. The overall findings show we compare positively to similar trusts, but as always, we are using the findings to consider what we can improve to ensure we have well-supported, effective teams.

Research and innovation will be another area of focus as we continue to build our partnerships with academic, NHS and research institutions to be a leading host in the region. In the last year, we've been confirmed as the host organisation for regional research, as well as a new centre which will drive innovation in health technology.

We will also continue to make the best use of digital technology. In 2023/24 we achieved our goal of having more than 100,000 people on our MY CARE patient portal, and this number continues to grow. We are using MY CARE to collect more results remotely than any other Epic-equipped hospital in Europe.

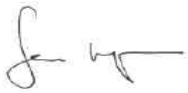
We are driving transformation in the way we deliver appointments and giving patients greater control of their care. In 2024/25 we plan to roll out self-booking for patients who are available to take short notice appointments. We have 35,000 people on a patient-initiated follow-up pathway, which places us in the top four in the country.

We've moved to a digital-by-default approach to patient letters too, which saved more than £20,000 in its first month and supports our goal to achieve net zero. Ensuring we have the right infrastructure to support new and transformed models of care will be a continued focus. 2024/25 will see a number of planned developments take shape at our acute and community sites, and we'll be developing a number of businesses cases to seek investment in schemes that will help us deliver modern healthcare. This will include resubmitting our strategic case for redeveloping North Devon District Hospital as part of the national New Hospital Programme.

We head into 2024/25 in a changing national context, but with forward momentum from what we've achieved together this year which will help us to achieve our plans.

I wanted to finish by saying thank you to everyone that's part of our team at the Royal Devon for everything you do. Thanks to our staff, volunteers, patients, partners and all of our supporters and stakeholders – we couldn't do it without you.

Kind regards,



Sam Higginson
Chief Executive Officer
Date: 26 June 2024

About the Royal Devon University Healthcare NHS Foundation Trust

The Royal Devon University Healthcare NHS Foundation Trust (the Royal Devon) was established in April 2022, bringing together the expertise of the Royal Devon and Exeter NHS Foundation Trust and Northern Devon Healthcare NHS Trust.

Stretching across Northern, Eastern and Mid Devon, we have a workforce of almost 16,000 staff, making us the largest employer in Devon. Our core services, which we provide for more than 615,000 people, cover over 2,000 square miles across Devon, while some of our specialist services cover the whole of the peninsula, extending our reach as far as Cornwall and the Isles of Scilly.

We deliver a wide range of emergency, specialist and general medical services through North Devon District Hospital and the Royal Devon and Exeter Hospital (Wonford). Alongside our two acute hospitals, we provide integrated health and social care services across a variety of settings including community inpatient hospitals, outpatient clinics, and within people's own homes. We also offer a range of specialist community services, Sexual Assault Referral Centres (SARC) and a GP practice.

Our hospitals are both renowned for their research, innovation and links to universities.

Royal Devon and Exeter (Wonford) Hospital, Exeter

The RD&E (Wonford) hospital is our district general hospital in Exeter. It provides emergency, urgent and planned care services to people in Exeter, Eastern Devon and the surrounding areas.

As a teaching hospital, it delivers undergraduate education for a full range of clinical professions and it is the lead partner for the University of Exeter College of Medicine and Health, as well as a leading centre for high quality research and development in the South West peninsula.

The RD&E (Wonford) is home to a number of our highly acclaimed specialist units and centres, including the internationally renowned Princess Elizabeth Orthopaedic Centre, our award-winning Centre for Women's Health, and the purpose-built Mardon Neurorehabilitation Centre.

North Devon District Hospital (NDDH), Barnstaple

North Devon District Hospital (NDDH) is our district general hospital in Barnstaple. It provides emergency, urgent and planned care services to people in Northern Devon and the surrounding areas.

NDDH provides a 24/7 emergency service and the emergency departments at NDDH and RD&E (Wonford) are designated trauma units, operating within a trauma network serving the whole of Devon and Cornwall.

The hospital also offers a range of general medical services, including cardio-respiratory, stroke care and gastroenterology, alongside a number of general surgical services including orthopaedics, urology and colorectal specialities.

Integrated health and social care community services

Our teams of integrated health and social care community professionals across Eastern and Northern Devon work to rehabilitate patients, avoid admissions, and promote health, wellbeing and independence. We support people who may need short term support until they regain their independence or specialist end-of-life care. We also provide local outpatient, specialist ambulatory services and self-referral services.

We manage a range of inpatient and outpatient services from 17 community hospital locations, which provide accessible local hubs for our communities. These span a wide geographical area, and include minor injuries units and a variety of outpatient services.

Our community teams work closely with a wide number of health and care professionals, including colleagues working in the acute hospital, social care, primary care, the voluntary sector, mental health and other partner organisations to support people to self-manage their long-term conditions, improve their mobility and maintain their independence.

Specialist community services

The Trust is the main provider of specialist community healthcare services across Northern, Eastern, Mid and South Devon, including podiatry, dentistry and sexual health.

We also run Sexual Assault Referral Centres (SARC) across Devon, Cornwall and the Isles of Scilly, as well as adult and paediatric bladder and bowel care services in these areas.

Nightingale Hospital, Devon

The NHS Nightingale Hospital Exeter is a state-of-the-art facility providing services for patients from across Devon, helping to further reduce waiting times for certain procedures in the region. The Nightingale is home to a number of specialist centres, and provides the following services:

- Southwest Ambulatory Orthopaedic Centre, which has two operating theatres for day-case and short-stay elective orthopaedic procedures
- Centre of Excellence for Eyes, which is delivering diagnostic outpatient services and cataract surgery
- Devon Diagnostic Centre (DDC), which is hosting CT, MRI, X-ray, ultrasound and fluoroscopy services
- The Royal Devon University Healthcare NHS Foundation Trust's Rheumatology department
- Buttercup Outpatient Unit, which is an expansion of our diagnostic services, offering a number of specialty one-stop pathways (opened May 2024)

In 2023/24

- We cared for 184,902 inpatients, 86,971 day cases, and 1,074,866 outpatients
- Our Emergency Departments had 153,036 attendances; our Minor Injuries Units had 13,822 attendances; and our Walk-In Centre had 26,140 attendances.
- We looked after 1,578 people in our community hospitals
- We provided care to 47,105 people in their homes
- Our virtual ward provided care for a total of 2696 patients
- 4,690 babies were delivered

Our year in photos

The South West Ambulatory Orthopaedic Centre (SWAOC) completed its 1,000th knee/hip replacement since opening at the Nightingale in March 2023

The centre, one of only eight elective surgical hubs in the country to have been GIRFT accredited and recognised nationally for its high clinical and operational standard, has also expanded its services to include hindfoot and soft-tissue knee operations.

South Molton Eye Centre's first clinics

In May 2023 patients with eye conditions in North Devon and Torridge began benefitting from reduced waiting times and access to state-of-the-art equipment.

This was made possible with a generous donation of £500,000 from the South Molton League of Friends.

New da Vinci XI robots delivered to RD&E (Wonford) and NDDH

In July 2023 the Trust took delivery of two new robots thanks to national funding from NHS England and the Cancer Alliance – one at NDDH and one at the RD&E (Wonford).

This was the first robot at NDDH, where patients are now benefiting from robotic surgery for hiatal hernias, inguinal hernias and gallbladder removal.

It was a third robot for Eastern services for expanded use in head and neck surgery as well as urology.

Pilot remote monitoring system for selected patients with heart failure in Northern Devon

Through this exciting project, the Trust is aiming to improve outcomes for patients with heart failure, avoid unnecessary hospital admissions, and help the heart failure team prioritise face-to-face appointments with those patients who need them most.

Celebrating NHS75

In July 2023 our NHS75 celebrations included a ceremonial tree planting at the RD&E (Wonford) and NDDH.

Carolyn Mills, Chief Nursing Officer, was honoured to invite the Right Worshipful the Lord Mayor Kevin Mitchell to plant a cherry tree at the RD&E, and the Deputy Mayor of Barnstaple Janet Coates to plant a cherry tree at NDDH.

Memorial garden opened at RD&E (Wonford)

After generous donations from the public, the Trust has now opened a new memorial garden at the RD&E (Wonford) to serve as a place to remember those lost to COVID-19.

The garden has been built behind Ashburn Ward, which was one of the hospital's main COVID-19 wards.

Barnstaple Maternity Hub opens

The Trust officially opened its new Barnstaple Community Maternity Hub at Barnstaple Health Centre in August 2023. The new hub is base for both midwives and allied health professionals (AHPs).

New and expectant mothers in North Devon now receive care in a new dedicated and upgraded facility in Barnstaple.

Lord Markham's NHP roadshow runs at NDDH

Health Minister Lord Nick Markham CBE and the national New Hospital Programme (NHP) team visited North Devon District Hospital to meet with colleagues, patients and stakeholders.

They toured the hospital, discussed the national vision for NHP, and learned more about the Trust's ambitions for futureproofing healthcare in North Devon as part of the programme.

Prime Minister Rishi Sunak visits NDDH

We were delighted to welcome Prime Minister Rishi Sunak to North Devon District Hospital in September 2023 to demonstrate how two new facilities, Jubilee Ward and Coronation Suite, are helping us to recover our waiting lists and improve the care we provide to patients.

The Prime Minister spoke with staff and patients in both areas, and heard more about their experiences of care.

Richard Foord MP visits Tiverton and District Hospital

The MP for Tiverton and Honiton, Richard Foord, visited Tiverton and District Hospital to see the valuable contribution it makes to delivering patient care away from an acute hospital setting.

Mr Foord's tour included the Castle Hill practice, a primary care facility located on the Tiverton site, inpatient wards, and a wide-ranging discussion with hospital managers and representatives from the county council and wider healthcare system on the role of community healthcare.

Acute Oncology team wins national nursing award

In October 2023, the Trust's Acute Oncology team (Northern services), based at North Devon District Hospital won a prestigious national award for nursing.

The team supports all types of cancer patients who may experience complications from their disease, treatments or who are diagnosed with a new cancer as an inpatient.

NIHR Exeter Biomedical Research centre launch

The official launch of the NIHR Exeter Biomedical Research Centre took place in October 2023, bringing together researchers, academics, clinicians and scientists from across the Royal Devon, the University of Exeter, and other leading partnerships.

Funded through a £15m investment from National Institute for Health and Care Research, the NIHR Exeter BRC is one of a network of 20 across the UK. The research focuses on five core themes: Neurodegeneration (including dementia and Parkinson's); frailty; diabetes; genetics; and medical mycology (tackling potentially deadly fungal diseases).

Towards Net Zero award win at 2023 HSJ Awards

An innovative project, aimed at minimising the carbon footprint associated with anaesthetic gases in healthcare, won the prestigious Towards Net Zero award at the 2023 HSJ Awards in November 2023.

Anaesthetic have a negative impact on both air quality and the environment when released into the atmosphere, so colleagues across the Trust have been looking at how anaesthetic services can be more environmentally friendly.

Celebrating our incredible colleagues and volunteers

The Extraordinary People Awards ceremony celebrated the incredible staff and volunteers who work across the Trust.

The awards have 11 different categories which recognise the outstanding contribution that staff and volunteers make to care for patients and support colleagues. More than 500 nominations were received from staff, patients and carers, and judging panels then created a shortlist of 47 finalists.

Extraordinary People Awards

NHS Chief Executive helps celebrate first anniversary of the national NHS Rapid Whole Genome Sequencing Service

In December 2023, we were delighted to welcome Chief Executive of NHS England, Amanda Pritchard to celebrate the first anniversary of the national NHS Rapid Whole Genome Sequencing Service.

Based at the Exeter Genomics Laboratory on the RD&E (Wonford) site, the service was launched by Amanda Pritchard in October 2022 and has transformed the experience of hundreds of families with critically unwell babies and children in intensive care suspected to have a rare condition.

Northern services Acute Hospital at Home celebrated its first birthday

In its first 12 months the team cared for 370 patients across eight pathways and 13 clinical areas. 157 patients came to them via the frailty pathway and the team has been able to help these patients in particular avoid the risks of an in-hospital stay.

Digital by default: reducing the number of letters we send to make the NHS more sustainable

In February, patients who use MY CARE, the service that gives patients a view of their Royal Devon medical information and appointments in one place, began receiving their Royal Devon outpatient appointment information through MY CARE and not through the post.

The Royal Devon send out about 2m letters to patients every year. This change will not only cut down on paper waste and cut carbon emissions but also deliver costs savings of approx. £967,000 over two years, which means more money to spend on direct patient care.

State-of-the-art ultrasound imaging equipment delivered to the Devon Diagnostic Centre (DDC)

Following funding from the National Accelerator Systems Programme, DDC, which is based at the NHS Nightingale Hospital Exeter, now has four outpatient scanning suites, each installed with the latest state-of-the-art ultrasound imaging equipment.

With this increased capacity of the ultrasound department, DDC has been able to serve three times as many patients this year compared to last year, helping to support peaks in demand for diagnostic imaging and reducing how long patients are waiting for their care.

National medical director for NHS England Professor Sir Steve Powis visited North Devon District Hospital

As part of a visit to the South West, national medical director for NHS England, Professor Sir Steve Powis, visited North Devon District Hospital to learn about how Epic is improving the way we deliver care for our patients and enabling integration across our services.

He also headed to Tiverton and District Hospital and the Nightingale Hospital in Exeter to learn about the fantastic innovations helping us to deliver care to patients away from our acute sites.

Building works started on a new admin facility at North Devon District Hospital

In March 2024 building works started on a new admin facility at North Devon District Hospital in what marks a first step for the Our Future Hospital Programme on site. Our Future Hospital is the Trust's response to NDDH being included in the national New Hospital Programme as a priority for investment.

The new admin facility is an important first step in the redevelopment, as it will allow the building of much needed modern staff residential accommodation elsewhere on site, supporting our recruitment plans for key clinical staff roles. The moves will also create the space for new clinical buildings later on in the programme.

New colleague facilities open at NDDH thanks to NHS Charities Together funding

New male and female showers and bicycle storage facilities at NDDH became fully operational in March 2024.

The Trust was lucky enough to be awarded £50,000 from NHS Charities Together towards the purchase and installation of the two units.

Research and development

The Trust has a strong research culture that prioritises building partnerships, investing in innovation, and achieving better health and care outcomes for patients.

During 2023/24, our reputation for excellence has continued to grow, supported by our strong collaboration with the University of Exeter including the National Institute for Health and Care Research (NIHR) Exeter Biomedical Research Centre (NIHR Exeter BRC) which launched with a £15m investment.

The BRC is one of a network of 20 across the UK and will focus on five core themes:

- neurodegeneration (including dementia and Parkinson's)
- frailty
- diabetes
- genetics
- medical mycology

Also in collaboration, the Trust and University of Exeter were awarded an NIHR HealthTech Research Centre (HRC). The new HRC will be one of 14 centres across the UK. Supported with £3m of funding designed to streamline the development of health technologies from prototype to commercial product.

The Trust's research leadership was further recognised with the Trust being chosen as one of 12 host organisations for the national Research Delivery Networks launching in October. The new regional network will work across the health and social care system in Somerset, Devon, Cornwall and the isles of Scilly.

The Trust is extremely proud of our leading team of dedicated healthcare scientists, research professionals, and academics, including the following who had notable success in 2023/24:

- Professor Maggie Shepherd received the international Aster Guardians Global Nursing Award for her ground-breaking work in transforming diabetes care
- Professor Tim McDonald and his team were awarded the Impact Award for their outstanding work on the development of a national, home-based blood collection and laboratory testing service for NHS patients

In August 2023, with funding awarded by the NIHR, whole genome sequencing arrived at the NHS Exeter Genomics Laboratory. The Illumina NovaSeq X Plus is a cutting-edge genetic sequencer that can look at almost all of an individual's genetic information in a single test within 24 hours. The arrival of the sequencer marked a momentous moment for our research collaboration with the University of Exeter, the Exeter NIHR Biomedical Research Centre (BRC), and the NHS South West Genomic Laboratory Hub.

Widening participation with research across our community continues to be an important focus of activity. The Royal Devon was proud to participate in the Devon Integrated Care System Research Engagement Network (REN) project, funded by NHS England. This is a collaborative initiative including people from our communities, local charities, other trusts and Devon County Council and provided invaluable information to improve our understanding about research participation in underserved rural and coastal areas. A new project now underway focuses on shifting research practices towards co-design and co-production with communities, specific themes will be addressed including children and young people, older individuals, ethnically diverse populations, and early cancer diagnosis.

Ensuring that the Trust offers research opportunities to as many people as possible is a priority and ensuring that patients experience of care whilst they are in a trial is excellent is vital so they are supported to remain in the trial, ensuring the research question can be answered. The Trust's Patient Research Experience Survey shows 93% would take part in research again, and 95% feel research colleagues always treated them with courtesy and respect. Data from our Patient Recruitment Centre where high numbers of patients are recruited in to trials show retention figures above 97% across all ongoing studies.

Supporting colleagues to develop and deliver their own research remains a focus of activity. In the past year, 26 grant submissions have been supported, with eight trials already under way. The commitment of our staff is evident in the publication of over 330 academic publications across 45 clinical specialties, including 267 articles in peer reviewed journals, showcasing the depth and breadth of our research endeavours.

This remarkable output underscores our significant national and international research impact. A recent example is a ground-breaking project led by specialists at the Royal Devon which saw the publication of the European Incisional Hernia Guidelines in September

2023, sponsored by the European Hernia Society. The guidelines published by the British Journal of Surgery are designed to empower surgeons and primary care practitioners with robust and evidence-based recommendations, streamlining the assessment and treatment of incisional hernias. The initiative was three years in the making, involving collaboration between patients, methodologists from the organisations GRADE and Cochrane, and other key stakeholders across 14 European countries. The project ultimately will lead to improved outcomes for patients such as faster recovery from surgery, less likelihood of incisional hernias reoccurring, and better long-term health.

The Trust is also continuing to pay particular attention to the development of research skills for underserved professions. The launch of one of the first nursing, midwifery, allied health professions and healthcare scientists research development strategies in the country underscores this commitment and our initiatives are thriving. The Chief Nurse Research Fellow (CNRF) programme continues to offer protected time to gain a comprehensive overview of how research is developed and delivered with fellows completing a project in their area of practice. In July 2023 the third cohort completed the programme and delivered projects which have addressed key problems including repeat referrals to services and the management of pain for patients with dementia which have also been presented at external meetings including the RCN International Nursing Research Conference. There is increasing interest in this innovative opportunity with 13 CNRFs appointed to the fourth cohort which started in September 2023.

During the past year, the Trust supported the delivery of 453 studies in total, opening 96 new studies and recruited 7129 new participants spanning various clinical specialties at sites across our Trust, important trials have included:

Harmonie

Respiratory Syncytial Virus (RSV) can cause a range of respiratory tract symptoms and is one of the most frequent causes of hospitalisation in babies and young children. Many will experience this as a mild illness every year in the UK but it is responsible for approximately 450,000 GP appointments, 29,000 hospitalisations and 83 deaths in children and adolescents. The Harmonie trial was looking to see if an antibody injection called Nirsevimab was effective in preventing serious illness. The Trust was the highest recruiter in the South West and the fifth highest in the UK, the results of the study showed this treatment was effective in preventing serious illness and will now be considered for inclusion in the childhood vaccination programme.

Feedback from a family who participated in the trial has been positive, with one parent commenting: "I was slightly dubious of participating in the Harmonie trial initially until my daughter caught RSV at nine weeks of age. It was really scary and I didn't like the thought having to go through this again. We were fortune enough to still be able to take part and found the whole experience really positive!

"The nurses and doctors were really informative and had the knowledge to answer any questions I had. The follow up has been great, always available to talk when needed. My daughter has since been really well and I am convinced that by having the vaccine, she's fought off viral illnesses really well. Thank you to the research team for changing my outlook on vaccine research."

SINAPPS2

With colleagues from Devon Partnership NHS Trust, the Royal Devon is one of only 10 UK sites to be able to offer patients with a severe mental illness the opportunity to enter the SINAPPS2 trial. This important early phase trial is researching the role antibodies may play in causing symptoms of psychosis and schizophrenia comparing intravenous immunoglobulins and rituximab in the small number of patients who have the antibody.

Chorus

Professor Michael Gibbons has successfully secured a multi-million pound NIHR Health Technology Assessment (HTA) grant to look at the efficacy and cost effectiveness of oral corticosteroids for patients with fibrotic hypersensitivity pneumonitis. Hypersensitivity pneumonitis (HP) results from the lungs' reaction to inhaled organic particles. This reaction can involve inflammation or scarring (also known as fibrosis), or a combination of both. The trial will be a first in its kind globally and will be run from Exeter recruiting patients from 30 centres across the UK.

Plasma-match

Delivering research which helps target therapy is an important aspect of the cancer research teams work, this has included the 'Plasma-match' trial. This trial researched the potential for designated targeted therapies to be provided to patients with advanced breast cancer, where they had a genetic mutation identified through DNA screening. The team surpassed their target of three participants and recruited 66, 6% of the UK total. The trial showed mutations found in ctDNA blood sample are as accurate as those found in tumour tissue sample so patients can have accurate, rapid, less invasive method of identifying mutations in breast cancer in place of re-biopsy of tumour.

The trial also identified 217 UK participants to have further targeted treatment, of these two of the five treatments showed potential benefit and will be further investigated, an important finding for patients with this cancer.

Charity update

Royal Devon Hospitals Charity (RDHC) is the official charity of the Trust. The charity (registered charity no.1061384) formed following the merger of hospital charities Over and Above and the RD&E Charity in April 2022, and was officially relaunched with a new look and a new name in December 2023.

The charity supports the Trust's two acute hospitals, 17 community hospitals and a range of community, specialist and primary care services across Northern, mid and Eastern Devon.

Money raised helps to buy new state-of the-art equipment; create world-class patient and staff environments; support staff development, training and wellbeing projects; and fund cutting-edge research beyond what's possible with NHS funding.

There are more than 250 different funds altogether, and people can choose to raise money for the hospital, ward or department they would like to support.

RDHC also funds annual running costs of The Fern Centre, the bespoke cancer and wellbeing centre at NDDH, which offers cancer patients and families free access to a range of information, complementary therapies and counselling, as well as overnight accommodation should they need it.

Our latest appeals

While also supporting with fundraising and donations for specific wards or departments, our charities mostly focus their fundraising on our two appeals:

The Children's Emergency Department Appeal is hoping to raise £250,000 to create a special waiting area for children and young people within the new Emergency Department being built at the RD&E (Wonford). The charity is looking to fund ocean-themed wall murals and light panels, interactive digital equipment, and comfortable seating with USB charging points.

The Water Babies Appeal is hoping to raise £50,000 to buy two new birthing pools for the maternity unit at NDDH. The existing pools at the hospital are now more than 25 years old and in desperate need of replacement. With more than 1,000 babies born at the hospital every year, we want to be able to offer mothers the best possible experience and the choice of being able to birth their babies in water.

Fundraising impact

Thanks to the incredible fundraising efforts of our wonderful supporters, RDHC has been able to make a real difference to patients and families services across Northern, mid and Eastern Devon. Here are just a couple of examples of the brilliant things that charitable donations have helped us achieve:

In 2024, a brand-new machine is helping to treat small bladder tumours at NDDH. The TULA laser machine is being trialled by the hospital's urology team to treat superficial tumours in out-patients, freeing up slots in theatres for cancer patients needing more invasive surgery.

The new machine will also enable the hospital to treat patients who are unfit for general anaesthetic and give them symptom control with minimal risk of complications. The machine has been described as 'a game changer' by consultants.

The children's ward at the Royal Devon and Exeter Hospital (RD&E) has undergone a colourful animal-themed makeover thanks to a £115,000 donation by an Exeter businessman George Griffiths.

The entrance and corridor on Bramble Ward have been completely transformed with jungle wall, ceiling and floor murals, as well as a few animal sound surprises.

We hope it brings lots of smiles to lots of little faces.

Tracey's story

Tracey from Bideford was diagnosed with cancer in January 2023. She started a six-week course of treatment in March, travelling to the RD&E (Wonford) every week day for radiotherapy, while having weekly chemotherapy at NDDH.

In June, Tracy was admitted to Derriford Hospital in Plymouth for major surgery to remove a tumour. She was contacted by The Fern Centre after her support nurses recommended she try complementary therapy to help with her recovery.

"When I received my diagnosis, to say it was a shock is an understatement! It was a really tough time," said Tracy.

"After surgery, and after many weeks of travelling for treatment and feeling really tired and slightly unwell, I hoped I could get on with life like before, but all this had changed me. After all of the trauma, and when all appointments stopped, I had feelings of being unsure and abandoned. I wasn't but that's how I felt.

"I was phoned by The Fern Centre as my support nurses had put me on the list for some reiki. My first visit to the centre was an eye-opener. On just entering, I felt a calm and understanding. This was certainly missing in my life at the time! I felt truly overwhelmed by what had happened, having now had time to think about all that had gone on"

"Caroline, who provides reiki, put me right at ease and I felt so relaxed after the sessions. I started going to The Fern Centre at least half-an-hour before my appointments at the hospital so I could relax have a cup of tea and a biscuit, and chat with the lovely volunteers there, as well as people who had been through the same experience. Sometimes I just sit on my own, but there is a peace there which I've been craving for months! Somehow it gives me an inner strength. Everyone there just 'gets it'.

"I'm having counselling there with Paul now, which I've found invaluable. It's been hard to move forward and without The Fern Centre and all it offers, I know I would've just been 'stuck'. Thank you from the bottom of my heart!"

Our charity shops

RDHC's charity shops in Barnstaple and Westward Ho! continue to go from strength to strength. The combined income from the two shops in 2023/24 was an incredible £292,000, a 31% increase on the previous year.

All funds raised at both shops are in support of the Fern Centre, which is run solely on charitable funds. Thank you to all of the wonderful customers and our shop volunteers for continuing to support our shops.

Wider fundraising and charity support

In addition to support from RDHC, the Trust see huge support from the wider charity sector. This includes FORCE cancer charity and the Exeter Leukaemia Fund, Chemo Hero, NHS Charities Together, and a number of corporate and private sponsors.

Our hospital Leagues of Friends have supported our community services for decades and we are grateful for their ongoing support to our local teams.

Volunteers

The Trust recognises that volunteering enhances patient experience and the services we provide and has benefits for our patients, carers, colleagues, as well as the volunteers themselves. Personable, approachable and always willing to go the extra mile, the volunteer members of the patient experience team consistently demonstrate outstanding dedication and commitment.

The majority of volunteers dedicate on average between 11-20 hours of their time per month, and many have been volunteering for well over four years. Volunteers are contributing to at least 14 different volunteering roles, and following a recent survey 86% of volunteers are either satisfied or very satisfied with their volunteering roles.

The Trust will be expanding the opportunities for volunteering across the Trust in 2024, supported by the Trust's first volunteering strategy.

Our strategy: Better Together

We launched our five-year strategy, Better Together, in summer 2022.

The strategy sets out how we will enhance staff experience and our determination to achieve great care for our population, drawing on:

- clinical excellence
- digital capabilities
- innovation and creativity
- cutting-edge research and development
- the value we place on partnerships and our amazing staff

Click here to read our full strategy: **https://www.royaldevon.nhs.uk/about-us/better-together-our-strategy-mission-and-values/**

Our clinical and enabling strategies

Our Better Together strategy is supported by our clinical and enabling strategies which were published in 2023/24.

The strategies were developed with input from hundreds of colleagues who have shared their clinical and professional expertise to ensure all our efforts and resources are aligned to deliver our vision and priorities.

- **Clinical**
- **Digital**
- **Estates**
- **Data**
- **People and culture**
- **Green plan**
- **Patient experience**
- **Transformation**
- **Finance**
- **Health inequalities strategy**

Our mission, objectives and values

Our mission:

Is to work together to help you to stay healthy and to care for you expertly and compassionately when you are not.

Our values:

- Compassion
- Integrity
- Inclusion
- Empowerment

Staff recorded their views on what our values mean them in this video:

https://vimeo.com/727456769/8007898dfd

The strategy delivery is themed into four CARE objectives:

- **Collaboration and partnerships** - we will work in partnership to improve the health of our communities
- **A great place to work** - we will create a culture that retains, develops, supports, and attracts people to work as part of a team to deliver patient-centred care
- **Recovering for the future** - we will deliver an equitable recovery and capacity for further change
- **Excellence and innovation in patient care** - we will embrace new technologies and ways of working to deliver the best possible care and to enable people to stay well

The progress we have made against these objectives:

Working with a wide range of partners and organisations enables us to maximise our impact and improve the health of our communities.

1. Collaboration and partnerships

Our first objective sets out the importance of working in partnership to improve the health of our communities. Key pieces of partnership work include strengthening our local care partnerships across Eastern Devon, continuing our work with One Northern Devon, forming our Patient Experience Committee, and launching our Green Plan.

Partnerships with NHS Devon and the Local Care Partnerships

The Integrated Care System (ICS) in Devon established five place-based partnerships in Devon called Local Care Partnerships. The Trust has played a key role in the establishment and development of the two place-based partnerships that coincide with the area served by the Trust – the Northern Local Care Partnership (NLCP), and the Eastern Local Care Partnership (ELCP).

Local Care Partnerships are collaborative arrangements between organisations responsible for arranging and delivering health and care services and others with a role in improving health and wellbeing. They play an important role in co-ordinating local services and driving improvements in population health. In 2023/24 the Integrated Care Board (ICB) devolved funding to support health inequalities and prevention to each of Devon's five LCPs - the Northern and Eastern LCPs share was £121k and £209k respectively.

In the NLCP, this funding supported a range of projects and initiatives on community development, person-centred care and support for people with complex needs, population health and prevention and system development.

The NLCP has the benefit of being able to build on the work of the already well-established partnership body that sits within it - One Northern Devon (OND). OND was founded in 2008 and is a coalition of willing partners across health, education, government, elected members, business, and the voluntary sector.

As part of OND/NLCP, the Trust is leading or contributing to a range of partnership projects designed to tackle health inequalities and address the wider determinants of health including:

- the Flow Programme helps teams deliver person-centred care and support for people with the most complex needs
- there are now seven 'One Community' partnerships in each of the towns across Northern Devon. Our One Communities programme tackles issues such as access to services, poor health caused by modifiable behaviours and earlier onset of health problems in more deprived areas.

In the Eastern locality, funding was used to support voluntary, community and social enterprises (VCSE) engagement and infrastructure, support prevention priorities, a focus on better meeting the needs of people who access emergency services regularly, and a research audit of social health provision in the locality.

Over the year, the partnership has:

- continued to focus on the three key prevention issues - unpaid informal carers; children and young people's mental health; and social isolation and loneliness
- launched a pilot to embed a social prescribing function in the ED at RD&E (Wonford)
- supported the three prevention priorities on mental health, social isolation and informal carers.

OND has led the way in collaborative working to address health inequalities and is being used as a model for building alliances that the Trust is using to develop the approach in the Eastern locality - One Eastern Devon. Senior leaders have established this new partnership (which forms an integral part of the ELCP) to align and accelerate joint programmes that will make a lasting difference.

Partnership working

The Trust also works in partnership with a wide range of stakeholders with the aim of enabling people to stay well and supported in their own communities.

A good example of working with primary care, the voluntary sector and people and communities is in the work the Trust has supported at Belle's Place in Ilfracombe.

Primary care outreach

The Primary Care outreach project at Belle's Place is a project supported by the Trust as part of its heart failure service. It focuses on understanding and improving access to primary care for vulnerable people living in Ilfracombe. Belle's Place Café supports around 200 people who can be difficult for services to reach. It is a trusted support hub offering a free hot meal, information, support and friendship.

Client feedback:

"It's safe and it's easier for people like us to engage with the doctor and we can get referred to other services if need be. It's just much easier and there's no stress'; I haven't got a long walk and sitting in places that I'm stressed out in."

"I feel that I can have that aspect of trust, that they would be there more for me and it's more relaxing here, right? It's not an intimidating environment… And I feel more able here to be open. And be me, not someone who I'm not."

High intensity use (HIU)

People who frequently attend ED account for more than 16% of ED attendances and 28% of admissions costing the NHS £2.5bn a year[1]. Repeat attendances are closely associated with health inequalities and the Royal Devon has 30% of Devon's HIU attending its ED's.

This is funded nationally with a requirement to adopt the NHSE HIU service model, and reduce HIU attendances to ED by 40%. The partnership work is through the voluntary sector partners who lead on the delivery - Encompass South West and CoLab. Clinical leads are in place for North and East. Delivery began in the final quarter of 2023/24 and will continue into the next financial year.

[1] Nowhere else to turn: Exploring high intensity use of Accident and Emergency services, British Red Cross, 2021

Liveable Exeter

The Trust also contributes to partnership working as a key anchor institution in Devon. For example, the Trust is a core Board member of Liveable Exeter alongside other major organisations in the city as well as private and voluntary sector figures.

Liveable Exeter exists to develop the city as a prosperous, sustainable, community-led and active place. The partnership is seeking to put in place a programme of transformational change that will deliver major benefits to the citizens of the city, the region and the environment.

Operational services integration

At the beginning of 2023, we started a programme of work to agree the operational structure that would best help us achieve the benefits for our patients set out in our integration business case. Namely, access to the best possible care, more resilient services and simpler and more equal access across Devon.

Our senior leaders and the professional leads across our operational divisions, co-designed an operational care group structure to best deliver our ambitions for patients and a formal consultation was undertaken.

The outcome of the consultation, which closed in November 2023, was that the Trust is moving forward with plans for five Trust-wide, fully integrated care groups: medicine, surgery, community, clinical support and specialist services, and women's and child health.

A competitive process was held to appoint colleagues to fill the new leadership structure of these five care groups and these appointments were announced on 27 March 2024. The five care groups are:

- Medicine
- Surgery
- Community
- Clinical Support and Specialist Services
- Women's & Children's Health

As we move forward to 2024/25 we will begin to align the different services that sit within each care group in order to ensure that our patients benefit from fully integrated services.

Being a part of the Peninsula Acute Sustainability Programme

We are working with colleagues across the peninsula on an ambitious plan to improve acute services for local people and staff as part of the Peninsula Acute Sustainability Programme.

To protect our services for the future, we need to be bold, brave, and radical in transforming services and supporting staff to deliver the best possible care to patients.

The programme is clinically led and at a very early stage. At the moment, a number of workshops are being held with clinical colleagues focusing on paediatrics, medicine and surgical pathways.

An extensive communications and involvement programme is underway to ensure staff, people and communities across the two counties understand the programme and have multiple opportunities to influence it in a variety of meaningful ways.

2. A great place to work

This objective recognises that our staff and volunteers are our greatest asset, and so we need to create a culture which retains, develops, supports and attracts people to work as part of our Royal Devon team.

Supporting the health and wellbeing of colleagues

We know from listening to our staff that as well as improving staffing levels, the health and wellbeing support we offer is vitally important. This is a huge area of focus for us, with progress including:

- Celebrating and saying thank you to our colleagues and offering access to a wide range of activities, prizes and support during July 2023 to help celebrate the NHS 75th birthday.
- Investing in colleagues' facilities including new shower rooms and bike storage facilities at NDDH and a mobile catering van for our Eastern services. Cycle change rooms for colleagues at Heavitree are due to be opened in 2024/25.
- Launching our new recognition schemes in February 2024 – shout out Thursday and the thank you scheme. Giving colleagues the opportunity to recognise each other and let one another know that their efforts are valued
- Continuing to support colleagues with their financial wellbeing as the cost of living crisis is ongoing. Additional support is planned for 2024/25 with the launch of our hardship salary advance scheme and annual leave buying scheme.
- Keeping colleagues well at work by training more than 300 mental health first aiders and promoting our employee assistance programme that is dedicated to supporting colleagues' mental health and wellbeing.
- Launching a new staff Neurodiversity Network alongside the establishment of a chairperson and supporting committee. They have had several meetings and their voices have led to the creation of the Neurodiversity Task and Finish Group.
- Recognising our fantastic colleagues at our annual Extraordinary People Awards which took place in November 2023. Winners from across the Trust were chosen from over 500 nominations, in 11 different categories.
- Launching our Positive Working Environment (PPWE) Policy in January 2023, which has resulted in fewer disciplinary cases, with more being handled through informal resolution by the Employee Support and Resolution (ES&R) team.
- Outsourcing our nursing and administrative temporary workforce (Central Bank) to NHS Professionals (NHSP) in October 2023, providing fairer opportunities for contracted staff including weekly pay for bank shifts undertaken and improved continuity of patient care

Enhancing our learning and development offer

A core part of making the Royal Devon a great place to work centres around creating better development opportunities which all of our staff can easily access. This includes:

- Starting to develop a specialist programme aimed at improving inclusion for our Trust's medical workforce
- Supporting more than 500 colleagues to develop their skills and qualifications by enrolling in an apprenticeship, covering 43 different roles from marketing to nursing and are open to people of all ages and backgrounds
- Supporting international nurses with the conversion of their qualifications to UK standards, with a phenomenal success rate of nearly 100% and the vast majority (96.89%) choosing to stay with the Royal Devon

- This year saw the launch of a leadership programme designed to inspire and empower our leaders to maximise their performance, focus on what is most important and seek improvement in everything they do.

Strengthening our talent pipeline

We continue to work to attract and develop skilled younger people, helping us to grow our talent pipeline across the Royal Devon.

The Royal Devon is a full provider of apprenticeships, enabling us to offer internally delivered apprenticeships as well as partnering with external educational providers where necessary. This approach supports the recruitment of new colleagues, the development of existing staff, and fosters a culture of appreciation among our employees, helping our people to feel valued.

We also offer supported internships and Project SEARCH employment opportunities to help young people with disabilities gain employment at our Trust.

Recruiting new colleagues

Recruitment continues to represent a national challenge for the NHS and attracting the very best people to work for us in Devon remains a key priority for our Trust. In recognition of this, we have:

- Developed our strategic workforce planning capability, including an infrastructure that contains strategic workforce data insights, advanced methodologies and training. This has enabled us to better understand our workforce, the capabilities required in the future and to implement workforce supply building strategies
- Prioritised our targeted recruitment efforts via a strategic resourcing steering group
- Continued to develop and refine our recruitment portal, the Career Gateway, which has enabled us to develop a faster recruitment process and a better experience for candidates
- Developed successful recruitment marketing campaigns targeted at roles and professions that are typically difficult to recruit to
- Continued to build our partnership marketing with organisations such as education institutions around the country, job centres, the Princes Trust and the National Careers Service
- Continued to promote the Royal Devon as an employer of choice through recruitment events, on the spot interviews, advertising, PR, mapping learning and development pathways and developing our digital marketing
- Targeted executive search and selection for executive and specialist vacancies.

This work has had a genuine impact throughout 2023/24 as we improved our retention rates as well as recruiting;

- 43 consultants
- 16 SAS (speciality) doctors
- 85 Trust doctors
- Two GPs
- 126 AHPs (allied health practitioners)
- 144 colleagues in Estates and Facilities
- 271 HCSWs (healthcare support workers)
- 363 nurses

As a result, our vacancy rate decreased from 6.88% to 3.72% over the 12-month period and we exceeded our NHSE targets for international recruitment of nurses, AHPs and midwives.

3. Recovering for the future

Delivering equitable elective care and seeing our longest waiting patients as quickly as possible is a key priority for the Royal Devon. Work has continued at pace throughout 2023/24 across the Trust and we have made significant progress in reducing our elective and cancer waiting lists.

We are seeing patients more quickly in our urgent and emergency care pathways, including in the community and we are working towards a stable financial position so that we are able to better plan for the future.

In 2023/24 we:

- were recognised as one of the fastest improving Trusts in England for how we've reduced elective waiting times
- reduced the number of cancer patients waiting longer than 62 days for treatments to 5%
- responded within two hours in more than 90% of cases needing urgent care response in the community
- saw 80% of people in our emergency departments within four hours (March)

Some of the improvements and transformations that have fed into this improved position are detailed below.

Medical retina waiting list case study: Eastern Ophthalmology tackles waiting list backlog

The West of England Eye Unit at the RD&E (Wonford) and the Nightingale Hospital Exeter have made incredible strides in reducing a waiting times for medical retina patients in Eastern Devon.

Alongside many other eye units across the UK, the department faced a significant backlog caused by COVID-19 and a national shortage of ophthalmologists.

Over the past year the team has worked collaboratively and implemented innovative ways of working resulting in 100% of people referred with neovascular age-related macular degeneration being seen within the recommended two weeks in January and February 2024. This is an excellent improvement from January 2023, when there was a waiting list backlog of more than 250 patients.

Dr Neil Bowley, Ophthalmologist Consultant explains the importance of this work: "This means that people actually get their appointments on time. This is vitally important, because these are time-critical treatments that will prevent irreversible deterioration of people's eyesight."

The team is continuing to explore ways in which it can innovate and improve the service to meet increasing demand. Currently it is working with the transformation team to explore the possibility of using Artificial Intelligence (AI) to support timely, high quality care for every patient.

PIFU: More than 35,000 patients benefit from patient-initiated follow-up pathways

Outpatient teams at the Trust have hit impressive milestones in patient-initiated follow-up (PIFU), with more than 35,000 patients now having greater control over their care. National data shows that the Royal Devon is amongst the top four trusts in the country for numbers of patients on a PIFU pathway.

PIFU is when a patient or their carer can initiate their follow-up appointments as and when required, for example if their symptoms or circumstances change, rather than at routine intervals. Patients on a PIFU pathway can take more control of their care by getting help when they think they need it most and avoiding unnecessary outpatient appointments.

The outpatient transformation team are continuing to give support to specialties to explore whether PIFU could help their long-term patients and ensure patients are supported when they need it.

RD&E (Wonford): refurbishment of the Emergency Department takes another step forward

March 2024 phase one of the internal reconfiguration of the Emergency Department was completed. This follows on from external works that included adding five additional ambulance bays to help lower response times for emergency vehicles.

Internally, a new layout makes significant improvements, including eight new resuscitation bays, increased waiting capacity and improved clinical spaces for patients to receive preliminary assessment. The project addresses the increasing numbers accessing our emergency and urgent care services and now moves on to the next phase, the development of a bespoke children's emergency department with a separate reception and waiting area.

This will be the first of its kind at the Trust and our charity are working to raise £250,000 to fund this work. Read more on page XX.

South Molton Eye Centre

South Molton Eye Centre held its first clinics in April 2023 and patients with eye conditions in North Devon and Torridge now benefit from reduced waiting times

and access to state-of-the-art equipment.

The brand new £1.4m facility was developed at the former renal unit at South Molton Community Hospital. This was made possible with a generous donation of £500,000 from the South Molton Hospital League of Friends.

The centre provides diagnostic services and treatments for people with new eye problems and people managing long-term conditions, such as glaucoma and medical retina.

The additional capacity and state of the art equipment provided at the centre will help provide a more positive and efficient patient experience, complementing ophthalmology treatments already provided at Bideford Community Hospital and North Devon District Hospital.

New discharge HUB: Coronation Suite, NDDH

In July 2023 we opened a dedicated discharge hub at NDDH called the Coronation Suite. The modular building was lifted into place in March into the space on Level 0 close to the Fern Centre and Ladywell unit. Royal Devon University Healthcare NHS foundation Trust received £2m of Government funding for the unit, part of a national package to support hospital discharge.

Patients awaiting medication and discharge letters, can move from the ward to wait in a comfortable space while still being cared for by a nursing team until they are able to leave hospital. This, in turn, means that their hospital bed on the ward can be made ready for the next patient, reducing the time our patients are waiting in our ED.

The hub has space for up to 20 patients and provides a comfortable space for patients to finalise their discharge.

Nightingale Hospital Exeter hits several milestones and helps bring down regional waiting times

Over the course of the last year, three of the services based at the NHS Nightingale Hospital Exeter have hit major milestones in productivity and patient care, helping to further reduce waiting times in the region for certain procedures.

The South West Ambulatory Orthopaedic Centre completed its 1,000th knee/hip replacement, and expanded its service to include forefoot, hindfoot and soft-tissue knee operations, and elective spinal surgery.

The Centre of Excellence for Eyes launched a successful pilot for quicker glaucoma diagnosis, reducing initial appointment times from two hours to just 30 minutes, and also completed a cataract operation on its 1,000th patient.

New ultrasound equipment at the Devon Diagnostic Centre has helped to reduce waiting list times from six weeks to less than two weeks, and will be expanding its services and capacity later in 2024, when the state-of-the-art Buttercup Unit opens.

Our Future Hospital programme under way at NDDH as building works start

We have taken an exciting first step in redeveloping NDDH as part of the Our Future Hospital programme, and building works started on a new admin facility in March 2024.

Our Future Hospital is within the national New Hospital Programme, established to deliver a once-in-a-generation opportunity to modernise NDDH, and is the biggest investment in the hospital since it was built.

Yeo View building, a new two-storey building will serve as an admin space for many colleagues currently based in Munro and Chichester Houses. Once Yeo View is in place, the old Munro and Chichester Houses will then be demolished to make way for the new short-term staff accommodation which is Phase 1 of the Our Future Hospital programme and supports our recruitment plans for key clinical colleague roles.

To deliver future healthcare we need clinical spaces flexible to our population's ever-changing health needs, and that allow us to house and operate the very latest medical technology. This work will also create space for the new clinical buildings we will build later on in the programme to help us.

Chris Tidman, Deputy CEO, said: "These first stages of work are crucial, as developing better facilities for staff will support the Trust to recruit and retain the very best talent, and meet our ambitions to be a great place to work. Moving the existing admin block will also create the space we need to meet our core aim for the programme - building modern facilities for our patients."

Financial recovery

Throughout 2023/24 we faced the significant challenge of controlling spend to reduce the financial deficit and ensure cost-effective healthcare for people across Devon.

In October we acknowledged that the current financial position was such that we would be unable to deliver our planned year end target, so we acted to address this in four targeted areas:

- Pay: successful recruitment campaigns had led to at 11% increase in staff since 2020, but costly agency use still remained high. Controlling recruitment to priority vacancies and reducing agency use has saved £2.8m.
- Non-pay: restricting all non-essential procurement, encouraging less waste, more recycling and reuse together with a number of other one-off opportunities to reduce non-pay expenditure, saving £6.4m.
- Drug spend: consistently using the best value drugs saved £1.7m.
- Income: in some cases, the Trust is paid by NHS England per patient appointment and clinical procedure, but clinical activity needs to be recorded accurately to make sure the Trust is paid properly for the work carried out.

Each area of focus was led by multidisciplinary groups, led by executive directors and involving clinicians, to successfully control spending in these areas whilst maintaining patient safety and quality of care.

Overall, we have delivered financial improvement of £77m in year through a combination of our original savings programme, Devon ICS system-wide work programmes and our financial recovery efforts. Of these savings £39m have been delivered on a recurrent basis, setting a strong foundation for further financial improvements into 2024/25 and a trajectory to return to financial stability.

More information on our financial performance in 2023/24 can be found on pages XXX

4. Excellence and innovation

We are committed to embracing new technology and ways of working to deliver the best possible care and to enable people to stay well.

Expansion of robotic surgery

In July 2023 we were excited to start using two new robots, thanks to national funding from NHS England and the Cancer Alliance, one at NDDH and one at the RD&E (Wonford) hospital.

This is the first robot at NDDH, where patients are now benefiting from robotic surgery for hiatal hernias, inguinal hernias and gallbladder removal.

Professor David Sanders, Consultant and Clinical Lead for GI, said: "We're really pleased to have the new Da Vinci robot at NDDH and are excited about the benefits it will bring. The robot offers exceptional precision and the most advanced surgical technology for our patients."

It's the third robot at the RD&E (Wonford) hospital, and is being used by a team of ear, nose and throat (ENT) surgeons to remove tumours of the tonsils, tongue, voice box and swallowing passage.

The first robot existing at RD&E (Wonford) has been in place for 10 years and has been used for urology operations, performing more than 2,000 cancer procedures. A second type of robot has been in place for approximately four years in support of major orthopaedic surgery.

More than 100,000 patients signed up for MY CARE

In February 2024 we celebrated a significant milestone after signing up 100,000 Devon patients to MY CARE, the digital service that makes it easy for patients to access their hospital information. And by the end of March that number had just tipped over 120,000.

Accessible on a computer, phone or tablet, not only does MY CARE allow patients to see details about appointments and test results at any time, for some patients it also offers a vital link with their care team at the hospital with direct messaging. Features like patient questionnaires also make it easier and more secure for patients and their clinical teams to share vital information.

This is another benefit of our electronic patient record that we launched in Eastern services in 2020 and expanded into Northern services in 2022.

MY CARE has played an essential part in delivering the Trust's 'Acute Hospital at Home' programme, and Royal Devon uses MY CARE to collect more results remotely than any other Epic-equipped hospital in Europe.

It also helps the Trust become more sustainable. Currently, Royal Devon sends about 2m letters every year, but with more people switching to MY CARE paper consumption and mailing costs are dramatically reduced.

Key benefits of MY CARE include:

- Seeing the results of most tests when they are available
- Viewing a calendar of upcoming appointments, along with details about attending
- Keeping your care team informed by completing health questionnaires and updating allergy and medical information
- Sending a message directly to your care team from within the app if you have any questions about your care
- Allowing a family member or loved one to access your health and appointment information by enabling proxy access.

Watch this video for more information:
https://vimeo.com/800901512

Digital by default

In February 2024 the Trust moved to a 'digital by default' approach to outpatient appointment letters to respond to patient feedback and reduce the Trust's environmental impact.

Patients can sign up to receive all their outpatient appointment information safely and securely through the MY CARE app or by logging into their MY CARE account on their computer. They can also control whether they will be notified about new appointments by text, email, post or a combination of methods.

The Trust was sending approximately 2m letters to patients every year. This change will reduce that number.

Phil Luke, Director of Transformation, explained: "There are many benefits to giving patients choice about how they want communications about their care.

"By switching to digital letters through MY CARE we can dramatically reduce the amount of paper waste and cut down on carbon emissions, which will lessen our environmental impact."

This change will also make care more cost effective. It is estimated that the reduction in print and post will save £967,000 over two years, which means more money to spend on direct patient care.

Artificial Intelligence

The Trust explored the use of artificial intelligence (AI) in a number of specialties.

Royal Devon's Transformation team supported a pilot to use AI to give patients a faster diagnosis of suspected skin cancer which meant an additional 140 patients could be seen each week.

Following this success, the Transformation team also collaborated with AI experts and clinicians to support implementation of AI in Ophthalmology and Radiology.

Virtual ward

Using the latest digital technology, the Trust's virtual ward (Acute Hospital at Home) provides a safe and efficient alternative to care as an inpatient on an acute hospital ward.

Being treated in your own home can have a hugely positive impact on patients and by facilitating earlier discharge or avoiding admission to a physical bed for suitable patients the ward plays an important part in improving patient flow and reducing waiting times for both planned and emergency care.

First launched in our Eastern Acute Medical Unit in 2019, our virtual ward came into its own in 2023/24 and now operates a seven-day service across both our Eastern and Northern services for 30 to 50 patients at any one time. The virtual ward now has combined pathways and looks after a mixture of frailty and general patients across both our services.

In the year 2023/24 the virtual ward provided care for a total of 2696 patients. 2101 of those were in our Eastern services, and 466 in our Northern services. Most patients had an average length of stay on the virtual ward of six days.

Below is just some of the patient feedback we received.

Heart Failure remote monitoring

A successful pilot improving outcomes for patients with heart failure, and avoiding unnecessary hospital admissions was undertaken by the Northern Devon heart failure team at the Trust.

Using funds from the Innovations for Healthcare Inequalities Programme (In-HIP), the team implemented a remote monitoring pilot for suitable patients with heart failure. A remote monitoring platform and equipment that directly connects to the heart failure team, allowed patients to send daily information about their symptoms from home.

I am writing to say that the AHAH Frailty team is a very good idea, once the acute stage of many illnesses has been brought under control most patients are far happier at home and the team give confidence and comfort to those taking care of their loved one. A hospital bed is made available for the next patient and in my case my husband was much happier at home and I had the comfort that someone was at the end of a phone call should that have been necessary.

"My Mum and I just wanted to let you know that the team has been excellent, it was a relief to my elderly Mum that she had some professional support when my Dad came home." Mr W.

" I was happy with the extra mile all the AHAH staff went to ensure I was safe at home during my infection. Mr O.

"It was lovely to be allowed home and not have to be transferred to a ward where they could keep an eye on things. It was good to know I could phone at any time, although I didn't have to. This is a great system both for patients and the hospital".

"the provision of the overnight sitters gave us the reassurance and confidence to believe that mum is able to be here at home." - Mr S.

A high level of professional care was provided"

"I have felt so safe under the care of the AHAH team"

From its base at North Devon District Hospital, the team used this data to monitor patients, and safely adjust their medication regime, potentially avoiding an unnecessary admission to hospital. This also allowed staff to prioritise face-to-face appointments for those patients who needed them most.

Patients have reported seeing huge improvements in their conditions and have felt more in control of their health. 84% of patients who have completed remote monitoring were fully optimised on heart failure therapies within 90 days, the average time overall was 65 days. Based on the usual number of appointments to achieve outpatient optimisation of therapies, this equates to a saving of at least 420 appointments.

Improvement and transformation

Over the last year we have worked together to transform our services to make things better for our patients and colleagues by supporting and celebrating the brilliant ideas of colleagues, using new technology and continuing to learn together.

As part of the Transformation Strategy, the Transformation team launched Your Brilliant Ideas, which aimed to inspire colleagues to share their ideas and implement change and improvement. Staff have submitted more than 400 ideas over the year, which have led to improvements and projects that are making things better for colleagues, patients and the community.

Throughout 2023/24 the transformation team have delivered quality improvement, healthcare systems engineering and project management training to 300 colleagues and have supported over 70 projects across the Trust to improve things for patients and colleagues. These projects range from the cardiac day-case unit to the patient communications policy.

The team has also continued to work alongside clinical teams to help them reduce waiting times for patients by looking for opportunities to make the best use of our resources. This work has resulted in 2,100 additional theatre slots and 4,672 additional outpatient appointments being provided to patients.

Patient experience improvements

In 2023/24 we extended our subscription to Care Opinion to our Eastern services, which means we now have this in place Trust-wide. Care Opinion is an independent, non-profit organisation that provides an online forum for service users to share feedback anonymously and can help us improve our services.

We undertook a project working with colleagues, patients and the public to create a new Patient Communications Policy. We know we are not always meeting patients' communication needs - and this impacts everything from our patients' safety to their outcomes and experience. Following the implementation of our electronic patient record, Epic, and our MY CARE patient portal, we now have a powerful tool in place to support patient communication. This policy supports staff to deliver improved and equitable communications with patients, and by extension their carers, family and significant others.

The Royal Devon has become the latest of more than 90 Trusts to partner with AccessAble, which provides detailed online access guides that share information about a building's accessibility. Work was done this year to document the access information for the facilities, wards, and departments at all of our hospital sites and the guides will go live during 2024/25.

Key issues and risks

Operational

The operational planning process is undertaken annually, in order to plan the allocation of resources and support the delivery of key organisational targets. The planning process considers organisational circumstances known or reasonably predicted at the start of the year, however there remains risks to the delivery of key performance indicators, principally due to changes which happen throughout the year.

These include but are not limited to:

- unforeseen increases in referrals, particularly in cancer specialties, requiring urgent two-week outpatient appointments and subsequent diagnostics
- changes to service provision in other providers which result in a changed demand on clinical services
- changes in the urgent and emergency care landscape, such as the provision of 111 services, Minor Injury Units (MIU), Walk in Centres (WIC), access to primary care and support for patients with urgent mental health issues
- workforce fragility arising from recruitment challenges including those following the pandemic.
- unplanned workforce availability such as industrial action
- short term nature of discharge related funding streams which can inhibit flow and impede initiatives to facilitate timely discharge
- strategic focus of social care is on financial recovery, children and younger adults (rather than hospital discharge)
- the impact of COVID-19 and other transmissible infections which require flexible patient management to support infection prevention
- severe adverse weather affecting capacity

In the event of events such as those listed above, further discussions with commissioners, providers and regulators will take place to minimise the risk to performance.

Quality

The last year was characterised by a focus on balancing the operational demands of urgent care and elective recovery with extensive periods of industrial action across multiple unions, these factors have presented both risk and opportunity related to patient safety and patient experience.

Mitigation of these risks centred on the robust quality assurance framework which is in place. Assurance was provided through mechanisms including the governance framework, integrated performance report (IPR), the performance assurance framework and internal audit reports. Together, these approaches incorporate a balance of hard, empiric data and soft intelligence which alerts relevant levels of clinicians and managers throughout the Trust to any deterioration in quality. The Trust's ability to deliver quality services is an identified risk on the Board Assurance Framework, and this risk is reviewed at each meeting of the Safety and Risk Committee. This is a sub-committee of the Governance Committee, and the membership comprises a range of senior leaders including executive directors, senior clinicians, operational leaders and the Trust's leaders in risk and patient safety.

The effectiveness of these mitigations can be evidenced through the Trust's ability to transform its approach to patient safety, risk management and quality through the implementation of the Patient Safety Incident Response Framework over the past year whilst delivering against challenging operational targets.

Finance

The 2023/24 financial year saw extreme financial pressures across the whole of the NHS. The Board approved a deficit plan at the start of 2023/24 of £28m for the year which included a significant level of savings to be delivered both internally and as part of the collaboration across the Devon Integrated Care System (ICS).

As the year progressed a number of financial risks started to materialise:

- levels of cost inflation above that planned for
- additional nursing costs due to complexity of patients needing enhanced care packages
- increased temporary staffing to support training of new starters
- growth in the use of high cost drugs above contracted levels
- delay in delivery of system savings programmes.

The impact of ongoing industrial action also had a financial impact. But additional funding was made available from NHS England to cover both the cost and loss of income from reduced activity in the first half of the year and the cost element in the second part of the year.

To avoid a significant breach of the financial position due to the emerging cost pressures the Trust entered into an internal financial recovery programme during October to reduce the rate of monthly overspend. This was an executive led programme supported by clinicians, operational and corporate teams focusing on five key work streams to improve income recovery through data capture of activity being delivered, reduced spend through increased control measures in line with NHS England guidelines and improved governance. The organisation responded to the financial recovery ask and the rate of monthly overspend improved in the second half of the year.

Alongside the financial recovery, the organisation continued to respond to the elective recovery challenge. Owing to the financial mechanism for additional income above a set threshold of 2019/20 weighted activity levels, the elective and financial recovery agendas are therefore very much connected and the operational performance played a significant role in the financial position improvement.

This joint response to financial and operational recovery, along with further deficit support from NHS England has enabled the Trust to deliver a financial result in line with the original plan at a deficit of £27m, although this is a variance of £13m from the revised deficit plan target set by NHS England to take account of the additional support funding received. Therefore, the Trust did not deliver against the plan expectations.

All of the operational risks continue into the new financial year, however the work on the financial recovery programme has led to mitigations which will continue to support delivery within the financial governance arrangements.

Currently the Royal Devon and the Integrated Care System partners are rated in segment four of the National Oversight Framework (NOF) and continue to be part of the Recovery Support Programme (RSP). Whilst the Devon system has not met the agreed exit criteria to move out of the NOF4 position the trajectory of continued improvement for the Trust is encouraging. There is a further challenging year ahead for 2024/25 financially and operationally but the momentum built in 2023/24 will allow for continuous improvement.

Alongside the in-year operational risks and response described above the Trust faces two strategic risks within the financial environment both of which are reported on the board assurance framework.

The first risk relates to the ability to deliver the level of financial recovery required across the Devon ICS and the ambitious savings programme required. This leads to a potential consequence of finance, operational and quality agenda being misaligned, lack of investment of develop our services and continued regulatory action due to the scale of the deficit. This risk is mitigated through the alignment of the governance processes we have in place, the Quality Impact Assessment (QIA) process to ensure a safety lens is applied to our decision making and the close working across the Devon system to drive a collaborative financial improvement approach.

The second risk relates to the ability to invest in our infrastructure due to the level of capital funding allowable as part of the current finance regime. Capital is limited on both 'business as usual capital' to enable us to maintain our estate and replace equipment that is end of life but also strategic capital to enable us to invest in new capacity. This risk is increasing year on year as the levels of investment fall short of need and could impact on future delivery of service if key infrastructure no longer becomes fit for purpose. The mitigations for this risk is to ensure there is a risk based approach to capital allocation to ensure the areas of critical need are addressed as well as setting out the long term BAU and strategic estates map to ensure there is a clear roadmap understanding our future estates need. The Trust continues to engage with NHS England on the need for capital and also with the National Hospital Programme on the development on the estate for our Northern services.

Going concern statement

After making enquiries of internal information sources and receiving assurance from reviews of the requirements set out in the Department of Health and Social Care (DHSC) Group Accounting Manual (GAM), the Board of Directors has a reasonable expectation that the Trust will have access to adequate resources to continue to deliver the full range of mandatory services for the 12 months from the date of approval of the financial statements and fulfil any liabilities as they fall due. The directors consider that this provides sufficient evidence that the Trust will continue as a going concern for the 12 months from the date of approval of the financial statements.

On this basis, the Trust has adopted the going concern basis for preparing the accounts that has been supported by the Trust's external auditor.

PERFORMANCE REPORT: ANALYSIS

Performance management and assurance

The Trust's Performance Assurance Framework (PAF) enables assurance to be provided to the Trust's executive team and to the Board that an effective mechanism is in place by which to monitor and report key financial, workforce, and operational performance indicators alongside key metrics relating to safety and quality. This supports both managers and clinicians to deliver the agreed organisational targets and objectives, whilst providing assurance of the continued delivery of safe, high quality care to patients.

Monthly PAF meetings are held with each of the respective clinical divisions, with meetings chaired by the respective site trust director triumvirate (director of operations, director of nursing, and medical director), with support from the director of operational finance, and site-based director of people. During the latter part of 2023/24, a further monthly PAF meeting was created in order to enable a specific focus on these maternity and neonatal services, in recognition of the breadth of developments both nationally and locally within these services.

As part of the governance arrangements whereby the Trust formally hosts the Nightingale Hospital from which elective orthopaedic, ophthalmic and diagnostic services are delivered on behalf of the Devon healthcare system, a PAF meeting is also held on a monthly basis with the Nightingale Divisional Management team. This PAF meeting is chaired by the executive director triumvirate (chief operating officer, chief medical officer and chief nursing officer) with support from the assistant director of operational finance, and lead people business partner and head of HR programmes.

At each of the PAF meetings referenced above, divisional and speciality level positions are reviewed, covering a detailed set of indicators across safety and quality, performance, operational efficiency, workforce, finance and activity, alongside a wide array of supplementary information. Within the reports prepared for the PAF meetings, clinical divisions are also asked to identify areas of escalation – where either strategic steer or support is needed, or to share an item of concern for information, so that this might be escalated through to the Trust's executive team, and where necessary to the Trust's Board. In relation to areas of underperformance divisions are asked to provide an outline of actions to address any key issues, which may then be tested and challenged within the meetings.

The PAF is part of the Trust's monitoring and performance framework from ward, specialty and division through operations board, Trust delivery group to Board. The framework also includes operational steering groups focused on planned care, urgent and emergency care, and cancer.

The Trust's integrated performance report (IPR) that is prepared each month to support discussion at Board includes a wide range of national and local performance indicators grouped under the following themes:

- quality and safety
- activity and flow
- operational performance
- patient experience
- our people
- finance

These are accompanied by narrative detailing the contributory issues, the actions planned to restore performance, the timeframes in which the actions are to be undertaken, and identification of any key risks. The integration of these indications within a single report provides an opportunity for triangulation of indicators and themes that is made explicit within the accompanying narrative and executive overview to the report, including the recent incorporation of a balanced scorecard to highlight key strategic successes, opportunities, priorities and risks.

Overview of performance 2023/24

Whilst 2023/24 has continued to be a challenging year for the achievement of operational performance targets, it has also been a time during which the Trust has been able to successfully evidence step changes in respect of both elective and urgent care waiting times as outlined in further detail below. During the year the Trust chose to focus on the delivery of an improved position for both planned care and for cancer services, alongside the continued safe provision of urgent and emergency care services. The Trust has been able to successfully demonstrate progress in respect of each, which it will seek to sustain and build further upon in 2024/25.

Some significant milestones have been met with regards to elective performance in 2023/24, specifically the reduction in long waiting patients for elective treatment, due largely to the recurrent support from the national Elective Recovery Fund (ERF) which has

enabled large scale elective transformation initiatives to continue. Improvements are being made within the urgent and emergency care services however the sustained challenges associated with increased demand have continued to test the allocation of both people and other resources to ensure continued delivery of safe healthcare to the population of Devon.

This has been further tested by the reprioritisation required to support the industrial action by successive sectors of the health care workforce as part of the national pay discussions. Throughout 2023/24, the Trust continued to respond to industrial strike action by nursing and medical colleagues.

The Trust has continued to support the delivery of the national operational planning guidance, and has focused on achieving success in the following areas:

- increasing core urgent and emergency care (UEC) capacity across both northern and eastern acute and community sites
- reducing the elective care waiting times for patients
- recovering productivity and delivery of services in line with pre COVID-19 pandemic levels
- adapting and responding to the financial recovery plan
- delivering improvements in Cancer services in line with National Oversight Framework (NOF) 4 criteria, which have supported the Trust being removed from Cancer tiering

Coordination of the Trust's resilience response has continued to take place through its Incident Management Framework, including the strategic command protocols. This has enabled coordination and prioritisation of the Trust's continued operational service delivery. Occasions at which the Trust's strategic command has been stood up in 2023/24 have included:

- times of peak constraint in relation to patient flow within the Trust arising from difficulties in relation to discharge, and its associated impact upon inpatient bed availability
- periods of industrial action by sectors of the Trust's workforce, and by the workforce of health system partners including the ambulance service

The Trust's response to maintaining operational service delivery is accompanied by a number of ongoing risks which can affect performance. If materialised, these could impact on patient care and service performance, however these are all monitored at specialty, care group and corporate level, including through the two associated risks relating to elective and urgent care delivery articulated within the Trust's board assurance framework. Both these mechanisms support the identification and ongoing planning of appropriate actions and strategic interventions to reduce the risk to service delivery and impact to patients.

A high-level overview of risks and mitigations to operational performance is provided below:

Risk	Mitigation
Failure to successfully deliver on intervention schemes in order to support operational service delivery (i.e. annual winter plan) leading to financial expenditure and reputational risk.	Robust schedule of planning throughout the year in order to secure success of interventional schemes. Schemes are monitored through the Trust delivery groups to ensure funding is delivered dynamically and within timescales. Continue to align Urgent Care Delivery Plan against funding streams.
Increase in Emergency Department demand above forecast levels and subsequent impact on performance and resulting in cancellation of elective admissions.	Continuous review of ED activity, including ambulance handovers, breaches, staffing, use of SDEC and AMU and discharges in order to support performance and alleviate capacity.

Risk	Mitigation
Increase in non-elective admissions above predicted numbers, putting pressure on paediatric, intensive care and medical beds particularly	Non-elective admissions are forecast each year using a detailed modelling process, which forms the basis for our overarching winter planning. Activity against plan is monitored each month and rebased each year as part of the annual planning cycle. In the event admissions exceed planned levels, the Trust has a broad range of measures in place to manage patient flow and expedite discharge in times of peak demand.
IPC outbreaks - Increased demand impacting on bed availability - Exceeding ITU and respiratory support capacity - Loss of workforce due to unplanned absence - Loss of domiciliary care hours and care home beds - Exceeding mortuary capacity	There are escalation plans in place for both northern and eastern sites regarding bed demand in the event of increased IPC demand. This is managed dynamically and tailored according to operational circumstances.
Further impacts of industrial action, resulting in minimal staffing numbers, cancellations of planned activity and increased pressures within urgent and emergency care	There are escalation plans in place for industrial action, with the ability to provide a rapid response to managing the impact of cancelled activity and increased UEC pressures. The Trust is well versed and prepared with a good structure in place for planning for industrial action through its gold command structure.
Adverse weather conditions, such as snow and ice, flood and high winds.	The Trust receives warnings of adverse weather from the Met Office and health warnings from the UKHSA. The Trust also receives additional information from a Met Office Adviser via the Local Resilience Forum if forecast weather has the potential to cause disruption. The Trust has an adverse weather plan which can be found on the Emergency Preparedness page of the Trust intranet and covers all types of weather including heatwave and snow/ice. The plan is reviewed each year against national guidance which corresponds to Met Office Cold Weather Alert and Heat Health Watch periods.
Partner agencies, such as GPs, social care, acute providers, unable to cope with increased demand resulting in patients diverting to the Trust.	This impact of this risk is frequently felt by acute and community services, particularly around holiday periods. Whilst shortfalls in care in other sectors do pose a risk, this tends to be a gradual process rather than a sudden collapse in any key area. The Trust has extensive arrangements in place through partnership working to identify shortfalls before they occur so that the system as a whole can plan and implement measures to mitigate any risks.

The table below summarises the performance position for 2023/24. Considerable progress has been made in reducing the volume of patients experiencing the most extended waits for elective treatment, providing a solid platform on which to build further in 2024/25.

			2022/23			2023/24		
Indicator	**Measure**	**Target**	**Trust**	**East**	**North**	**Trust**	**East**	**North**
Referral to Treatment Waiting Times	Proportion of incomplete pathways less than 18 weeks	92%	54.2% (March 2023)	57.0 (March 2023)%	47.9% (March 2023)	55.21% (Mar 2024)	55.49% (Mar 2024)	54.50% (Mar 2024)
	Volume of patient waiting longer than 52 weeks on an incomplete pathway		7220 (March 2023)	3926 (March 2023)	3294 (March 2023)	3803 (Mar 2024)	2337 (Mar 2024)	1466 (Mar 2024)
	Volume of patients waiting longer than 78 weeks on an incomplete pathway		699 (March 2023)	404 (March 2023)	295 (March 2023)	128 (Mar 2024)	55 (Mar 2024)	73 (Mar 2024)
	Volume of patients waiting longer than 104 weeks on an incomplete pathway		33 (March 2023)	32 (March 2023)	1 (March 2023)	0 (Mar 2024)	0 (Mar 2024)	0 (Mar 2024)
Diagnostics	Proportion of patients waiting less than 6 weeks for a diagnostic test	99%	61.6% (March 2023)	69.2% (March 2023)	52.5% (March 2023)	68.5% (Mar 2024)	67.5% (Mar 2024)	70.3% (Mar 2024)
Urgent & Emergency Care Waiting Times	Proportion of Patients Waiting Less than 4 Hours of Treatment at the Emergency Department / Walk in Centre / Minor Injury Unit (System Performance)	95%	66% (March 2023)	68.5% (March 2023)	59.0% (March 2023)	77.99% (Mar 2024)	77.42% (Mar 2024)	79.38% (Mar 2024)
Ambulance Handovers	Volume of Ambulance Handover Delays over 60 minutes	0	486 (March 2023)	165 (March 2023)	321 (March 2023)	249 (Month of Mar 2024)	232 (Month of Mar 2024)	17 (Month of Mar 2024)
Cancer Access	Cancer treatment started within 2 months of urgent GP referral	85%	61.9% (March 2023)	63.4% (March 2023)	56.5% (March 2023)	69.6% (Draft of Mar - extracted 23/04/2024)	65.9% (Draft of Mar - extracted 23/04/2024)	79.9% (Draft of Mar - extracted 23/04/2024)
COVID	Number of Inpatients with COVID		64 (March 2023)	42 (March 2023)	22 (March 2023)	8 (Snapshot as at 23/04/2024)	7 (Snapshot as at 23/04/2024)	1 (Snapshot as at 23/04/2024)
Discharge Performance	Volume of (Green) Medically Fit Patients on Transfer List			82 (March 2023)	57 (March 2023)	N/A	N/A	N/A
No criteria to reside (replaced Green to Go)	Average daily count					148 (Mar 2024)	116 (Mar 2024)	32 (Mar 2024)
	NCTR as a % of occupied beds					14.40% (Mar 2024)	15.50% (Mar 2024)	11.40% (Mar 2024)

Highlights for the year in relation to elective performance include the significant reduction in the volume of patients waiting longer than 52 weeks, 78 weeks or 104 weeks on an incomplete pathway. The volume of patients waiting longer than 52 weeks has reduced by 47.3% from 7220 patients to 3803 patients. Those waiting longer than 78 weeks has reduced by 81.7% from 699 patients to 128 patients. The volume of patients waiting longer than 104 weeks has reduced from 33 patients to zero patients. This is a particularly significant improvement from 2021/22 figures where the number of those waiting 104 weeks was at 664.

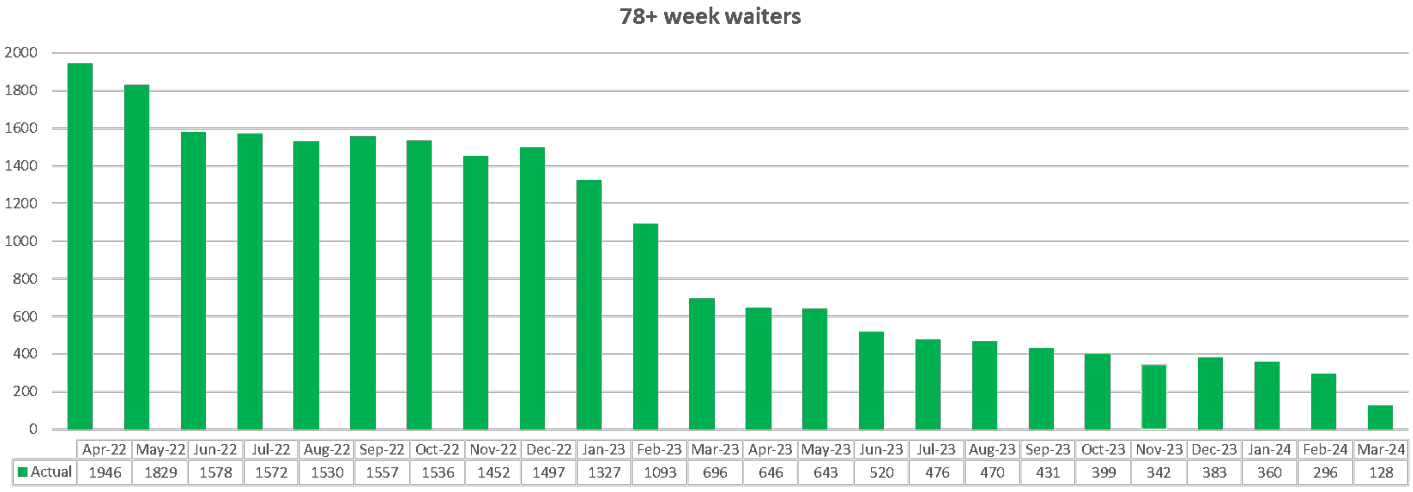
A variety of activities have contributed to the successes in patient waiting times over the past year. Continued support from the National Improvement Support Team at NHSE, in addition to the resource that has been able to be provided as a result of continued Elective Recovery Fund (ERF) have each contributed to the significant improvement in performance. The continued use of the Nightingale Hospital Exeter as a facility for providing diagnostic services, and elective orthopaedic and ophthalmic surgical procedures has also been of significant benefit to the population of the South West, as well as increasing overall activity capacity and capability for the Trust.

The graph below further illustrates the impact of significant efforts to recover waiting times for patients from April 2022 to March 2024.

The Trust has now been removed from Tier 1 for cancer long waits nationally as a result of improved performance. The proportion of patients starting cancer treatment within two months of a GP referral has increased from 61.9% in March 2023 to 69.6% in March 2024. Efforts directing the 'eight-week challenge' during February and March 2024 and continued improvement in cancer performance are supported by the Cancer Alliance, which is providing funding to support additional activity, outsourcing and agency staffing in challenged areas. The continued system collaboration in this area will be critical in maintaining the delivery of this key objective through the coming year.

The continued pressures on the urgent and emergency services in 2023/24 has required a particular focus on maintaining and restoring patient flow. The challenges associated with an increased demand on services, staffing shortages, industrial action and the safe discharge of patients identified as ready to leave hospital resulted in the Trust calling OPEL 4 (the highest level of escalation) on 46 days in the six months between September 2023 and March 2024.

There has been significant effort throughout 2023/24 to reach the national four-hour target. Performance has improved throughout the year, from a Trust-wide position of 59.9% in March 2023 to 78.0% in March 2024. Performance across solely the acute sites (excluding Exmouth and Honiton MIUs, Sidwell Street Walk In Centre, Tiverton and Okehampton) has seen a marked improvement of 19.8% over 12 months, with a position for March 2024 of 71.2% compared to 51.4% in March 2023. These most recent successes can largely be attributed to a particular focus on meeting the 76% goal by way of the targeted 'March Challenge' programme. The step change in



	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Actual	1946	1829	1578	1572	1530	1557	1536	1452	1497	1327	1093	696	646	643	520	476	470	431	399	342	383	360	296	128

performance has seen the Trust heralded as one of the top 10 most improved trusts nationally.

The graph below shows our four-hour performance from April 2022 to March 2024 (excludes Exmouth MIU prior to 1 February 2024).

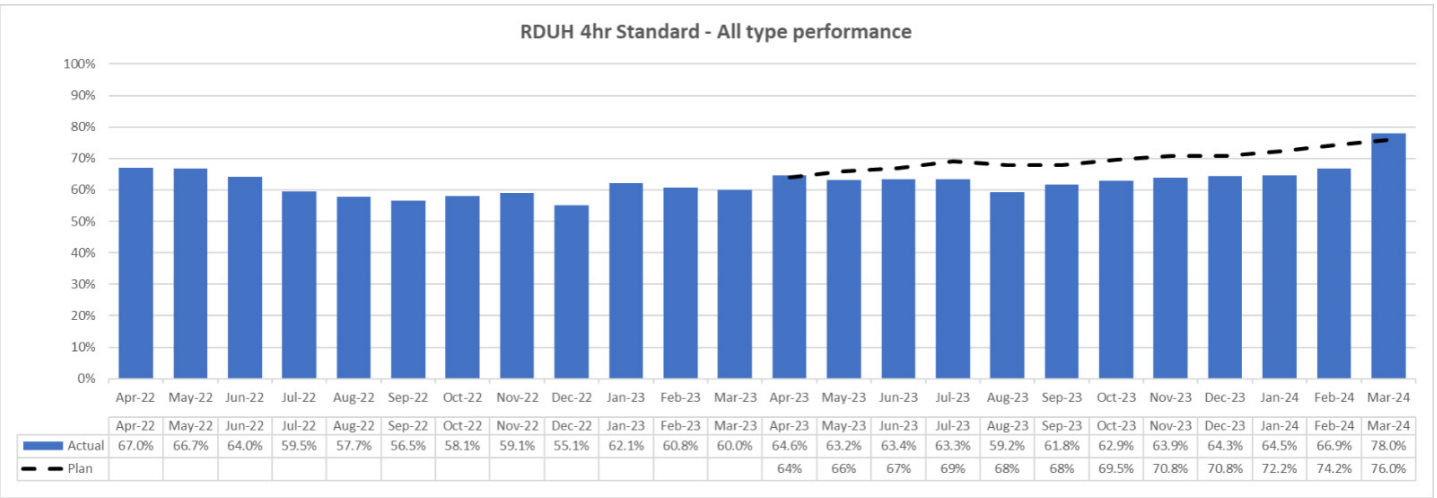
Ambulance handover delays have increased in 2023/24 compared to the previous year. Performance as of March 2024 saw 249 handover delays across the Trust compared to 486 in March 2023. Whilst this is a Trust-wide increase, the challenge has predominantly been seen at our eastern site. As a result of comparable urgent care pressures at neighbouring providers, the Trust has continued in 2023/24 to provide support to the Devon healthcare system by accepting ambulances diverted from the periphery of the Trust's catchment area, where both clinically appropriate, and when it is in a position to do so.

Activities which have sought to support the urgent and emergency pressures have included the expansion of virtual ward capacity and the continuation of both the northern and eastern discharge lounges. These areas have improved the discharge experiences for patients, as well as improving the turnaround of beds in order to maintain flow from the Emergency Department.

In addition, the Trust has received significant investment from NHSE to establish a Care Coordination Hub which aims to reduce conveyances to the EDs, and more effectively utilise alternative services for urgent care. In order to provide a longer-term provision of support for urgent care services, plans for 2024/25 are centred on exploring the further expansion of Same Day Emergency Care provision using capital investment opportunities as and when they arise. In March 2024, the Trust completed phase one of the Eastern services Emergency Department reconfiguration programme. This is a significant step towards final completion, and continues to provide improvements in service capacity and patient experience.

The Trust has developed a financial and operational plan for 2024/25, which include plans for continued and accelerated improvements in performance across both elective and emergency care. Investment provided by the ERF will continue to support productivity improvements to reduce (Did Not Attend) DNA rates, increase clinic utilisation and maintain the RTT long waits trajectory. Investment by the Cancer Alliance will continue to support improvements in cancer performance throughout 2024/25, and the Trust will continue to prepare alongside system partners, in order to respond quickly to the provision of urgent and emergency care funding.

Moving forwards into 2024/25 the Trust has refreshed its governance with regards to performance improvement and four delivery boards covering cancer, urgent care, elective waiting times and diagnostics are now established. These will continue the improvement journey for each area. The Board of Directors will be appraised of improvement plans, key challenges and mitigating actions on a monthly basis through the integrated performance report (IPR).



	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Actual	67.0%	66.7%	64.0%	59.5%	57.7%	56.5%	58.1%	59.1%	55.1%	62.1%	60.8%	60.0%	64.6%	63.2%	63.4%	63.3%	59.2%	61.8%	62.9%	63.9%	64.3%	64.5%	66.9%	78.0%
Plan													64%	66%	67%	69%	68%	68%	69.5%	70.8%	70.8%	72.2%	74.2%	76.0%

Financial performance

Financial analysis

The Trust delivered a net deficit of £26.8m, excluding technical accounting adjustments as set out in note two of the annual accounts. There are a number of items classified as technical which are excluded by NHSE when considering the Trust's financial performance. As in previous years, technical items include depreciation on donated assets, donated income in respect of assets, impairments, and reversal of impairments.

The reported deficit compares favourably with the deficit plan approved by the Trust Board, although falls short of the revised deficit plan set by NHS England following receipt of deficit support funding. Material variances on income reflect the drive on elective recovery above plan and the financial recovery response and variances on expenditure reflect the material cost pressures experienced in year. Consistent with the national planning guidance and the previous year, the increased national employer pension contributions were excluded from the plan and show as a material adverse variance.

The Trust's income and expenditure performance for the year is shown in the table below:

	Plan £'m	Actual £'m	Variance £'m
Income			
Patient Care Income	904.1	970.7	66.6
Operating Income	113.5	135.6	22.1
Total Income	**1,017.6**	**1,106.3**	**88.7**
Employee Benefits Expenses	(650.5)	(711.0)	(60.5)
Other Operating Expenses	(326.4)	(370.9)	(44.5)
Depreciation & Amortisation	(42.0)	(41.7)	0.3
Total Operating expenditure	**(1,018.9)**	**(1,123.6)**	**(104.7)**
PDC	(12.3)	(12.4)	(0.1)
Interest Receivable	1.4	2.9	1.5
Interest Payable	(2.6)	(3.0)	(0.4)
Other gains and losses	0.0	(0.3)	(0.3)
Net Surplus/ (Deficit) as per annual accounts	**(14.8)**	**(30.1)**	**(15.3)**
Remove capital donations, grants and donated asset depreciation	(0.1)	3.3	3.4
Adjusted financial performance surplus/(deficit) reported to NHS England	**(14.9)**	**(26.8)**	**(11.9)**

Savings

The initial savings programme at the start of the year was made up of two components, the internal delivering best value (DBV) programme and the additional system savings programme. In year the introduction of the financial recovery programme added a third component to address the risks emerging in year.

	DBV & System savings £'m	Financial Recovery Plan £'m	Total £'m
Recurrent			
Income	3.1	9.3	12.5
Pay	16.8	0.0	16.8
Non Pay	9.4	0.0	9.4
Total Recurrent	**29.4**	**9.3**	**38.7**
Non Recurrent			
Income	8.3	5.9	14.2
Pay	2.3	5.1	7.4
Non Pay	4.9	12.0	17.0
Total Non Recurrent	**15.5**	**23.0**	**38.5**
Total savings	**44.9**	**32.4**	**77.3**

The level of recurrent savings in year is a tremendous achievement for the Trust and the full year impact supports the financial position moving into 2024/25.

Statement of financial position

The Trust started the financial year with a cash balance of £46m. During the year this balance has been utilised to support the deficit position resulting in the Trust entering into the NHS cash support regime with NHS England, as per other deficit organisations. This enables the trust to main minimum cash balances ensuring ongoing financial commitments can be met.

	£m	£m
Opening Cash balance		46.0
Use of cash:		
Net cash flow from operating activities	3.6	
Purchase of property, plant and equipment and intangible assets	-44.3	
Other net cash flows from investing activities	3.8	
Public dividend capital received	43.6	
Loan repayments	-5.8	
Interest on loan repayments	-3.4	
Finance lease payments including interest	-7.6	
PDC dividend paid	-12.3	
Decrease in cash balance		**-22.4**
Closing cash balance		**23.6**

The Trust maintained a positive statement of financial position throughout the year with net assets at 31 March 2024 of £430.7m as set out in the table below:

Statement of financial position as at 31 March 2024	£m
Total non-current assets	567.5
Total current assets	99.4
	-
Total current liabilities	141.0
Total assets less current liabilities	**525.9**
Total non-current liabilities	-95.2
Total assets employed	**430.7**
Equity:	
Public dividend capital	405.2
Revaluation reserve	50.1
Income and expenditure reserve	-24.6
Total equity	**430.7**

Capital

The Trust Board approved a capital programme at the start of the financial year of £73m including national funded capital programmes through Public Dividend Capital (PDC) and the impact of finance leases under IFRS16. Since the plan was approved additional external funded schemes have been approved increasing the expected overall capital delivery to £76m.

The NHS capital regime continues to allocate capital limits (CDEL) to integrated care systems. This capital allocation is then allocated to individual Trusts. The Royal Devon is therefore bound by the capital limit allocated to the system and this along with the reduced capital reserves limits the ability to flex internal capital spending. The level of CDEL allocated to the system has been fixed for some time and we are now approaching a position where the risks of maintaining buildings and replacing essential IT and equipment infrastructure are increasing.

Major strategic projects progressed in year include:

- continuing phases of the Eastern Emergency Department redevelopment
- development of the Cariology Day Case Unit on the Eastern site to serve both Northern and Eastern patients
- endoscopy diagnostics suite in Tiverton to serve both Northern and Eastern patients
- continued design phases of the 'Our Future Hospital' development at NDDH
- initial enabling works for the Eastern Hybrid theatre

Other capital spend is prioritised to maintain the estate across the acute and community sites, fund the equipment replacement programme and support the digital agenda.

	Year to Date		
	Plan *£'000*	**Actual** *£'000*	**Variance** *£'000*
Capital Funding:			
Internally funded	31,074	38,249	(7,175)
PDC	25,743	27,655	(1,912)
Donations/Grants	842	638	204
IFRS 16	15,488	9,975	5,513
Total Capital Funding	**73,147**	**76,517**	**(3,370)**
Expenditure:			
Equipment	15,528	10,303	5,225
Estates Backlog/EIP	7,316	8,556	(1,240)
Estates Developments	10,102	11,824	(1,722)
Digital	4,162	9,93	(5,131)
Our Future Hospital	0	2,941	(2,941)
ED	6,165	4,510	1,655
Cardiology Day Case	7,432	8,023	(591)
CDC Nightingale	4,400	4,849	(449)
Endoscopy	11,122	7,454	3,668
Diagnostics - Northern Schemes	3,797	0	3,797
Digital Capability Programme	1,123	2,164	(1,041)
Vascular Hybrid Theatre	0	3,500	(3,500)
Other	0	3,101	(3,101)
Unallocated	2,000	0	2,000
Total Capital Expenditure	**73,147**	**76,517**	**(3,370)**
Under/(Over) Spend	***0***	***0***	**(0)**

Environmental matters

For information about our delivery of the Green Plan and other environmental matters please see the sustainability report on page 166.

Our people

In recent years, there has been a lot of attention on the NHS workforce nationally, with initiatives such as the NHS People Plan, NHS People Promise, NHS Health & Wellbeing Framework, and more recently the launch of the NHS Long-Term NHS Workforce Plan. These programs are closely aligned with our Trust's strategic objective of being a 'A Great Place to Work' and our People and Culture strategy, which was launched as one of the Trusts' enabling strategies in 2023.

The principles set out within the NHS People Promise represent what we expect to be able to offer our employees – our employee value proposition (EVP). Our EVP reflects how we want our colleagues to feel about working with us and the impression we want potential candidates to have about us as an employer.

This part of the annual report provides an overview of our workforce challenges and how we assess workforce performance more broadly. It also highlights some of the key accomplishments related to our colleagues for the year 2023/24.

Our colleagues are our most valuable resource. Without each and every one of them, we would not be able to deliver essential care to our patients. In recent years, the job market has become increasingly competitive, with employers vying for top talent. This has been made more challenging by ongoing operational demands, industrial action and increases in incidences of violence and aggression towards our people. Ensuring that our employees receive the support they need to stay safe and healthy is an ongoing challenge, especially during times of sustained pressure.

Throughout 2023/24, the Trust has continued to work hard to improve the sustainability of its workforce, with improved workforce planning tools, continued recruitment efforts and a significant focus on retention. As a result, the Trust saw sustained decreases in vacancy levels and turnover throughout 2023/24, ending the financial year with a vacancy rate of 3.91%. This achievement is particularly noteworthy considering stricter vacancy controls were introduced in autumn 2023, resulting in fewer new hires in certain areas. These reduced vacancy levels have been reflected in the 2023 NHS Staff Survey results, where two questions related to capacity featured in the top five most improved scores. This will in turn enable the Trust to increase capacity to treat our patients, while also cutting down on spending on temporary staff, allowing us to use our financial resources more effectively. Despite a positive position now and in the short term, it is apparent that further challenges are on the horizon. Owing to the baby boom generation, there is an ageing population nationally, with an anticipated increase in retirements in the coming years.

Furthermore, the Royal Devon serves a large proportion of the south west of England, the region with the highest median age compared to the rest of the country. Based on this, it is reasonable to expect that the impact on both retirement levels and demand for health services within the Trust will be greater than other NHS organisations. To meet the challenges of the future, further workforce planning tools have been developed over the past year, with this intelligence feeding into the annual operational planning process, enabling more accurate forecasting, both in terms of staffing and financial position.

The integration of our services has progressed throughout the Trust. This year, the people development teams have provided tailored support to our most senior leaders through the Operational Services Integration Programme management of change process. This support package was specifically designed and implemented to cater to their needs. It included one-to-one coaching, dedicated 'time to think' sessions focused on navigating the emotions associated with change, ensuring that leadership remains focused, and concluding with a forward-looking session aimed at embedding new teams, establishing common ways of working, and guiding the next stages of change. Team integration sessions are now beginning, to assist newly formed teams resulting from these changes.

There has been a significant focus on digital capability with the Trust leading the way on digital innovation around people systems, Devon was selected as the Southwest Regional Scaling Services Vanguard in this area leading to a 2024/5 programme of work

via the People Digital Programme. This programme will have a significant and positive impact on the way we work, improving employee experience and resilience within people services. Already we are seeing improvements in the workforce metrics available to measure performance, including vital statistics such as the tenure of leavers, the cost of sickness absence and details about our pipeline.

The following pages detail some of the key initiatives the Trust has introduced to support it to be a great place to work for all our colleagues, delivering the high-quality services our communities expect and deserve.

Key achievements during 2023/24

People and Culture Strategy

Recognising the vital role our people play within our organisation, the **People and Culture Strategy** was published following review at Board Development Day in July 2023, alongside other enabling strategies. Underpinned by the Trust strategic objective of fostering a great place to work and guided by the People Promise as our EVP, the strategy is built upon four pillars:

- Leadership and culture
- Attraction, recruitment and retention
- Developing our people
- Workforce transformation, integration and re-design

Inclusivity and cultural development serve as the bedrock of these pillars, helping us to nurture and empower our people, supporting compassion and inclusive practices, celebrating difference, and ensuring that our workforce reflects the population we serve.

As part of our cultural development, we have built upon the one-year post-integration cultural development roadmap that concluded in March 2023, setting out cultural development plans extending to March 2025. These plans encompass various workstreams, including patient safety, sustainability, transformation, wellbeing, employee experience, inclusion, and professional development, ensuring that cultural change is embedded holistically across the organisation.

One key area that is critical to supporting our people and culture strategy is the way in which we support and resolve employee related issues and cases. Throughout the financial year 2023/24 we have continued to apply just and learning principles to support our staff when things do not go as planned. Our Promoting a Positive Working Environment (PPWE) Policy was launched in January 2023, contributing towards our 'great place to work' strategic objective. Since launch, the quantity of disciplinary cases has reduced, with more being handled through informal resolution by the Employee Support and Resolution (ES&R) team.

To support this policy, the ES&R team offer an internal mediation service in addition to training for managers across a range of subjects. The training on 'managing incivility and becoming a responsible bystander' is particularly well attended by staff at all levels. This training provides further support the cultural development work to become a great place to work.

Strategic milestones, aligned with each of the four pillars have been developed for the People and Culture Strategy as a whole, with progress having been made during 2023/24 and further plans in place throughout the coming years, with progress being monitored through the Board of Directors.

Leadership development

Throughout the past year, we have been working to build on the senior leadership group and our partnership with the National Leadership Academy that launched in 2022/23. Our leaders and managers within the organisation are now offered the opportunity to complete their Chartered Management Institute qualifications through the apprenticeship route, including an option to pair these with the equivalent level National Leadership Academy qualification, resulting in two qualifications at once. With our leadership courses now being delivered in house, this has provided a significant opportunity to tailor the training to meet the needs of our organisation, with learning able to be based on case-studies relevant to our sector and Trust.

This year saw regular leadership events to support, inform and develop our most senior leaders. We also launched a leadership programme, to inspire and empower our leaders to maximise their performance, focus on what is most important and seek improvement in everything they do.

Whilst a lot of work has taken place to develop our most senior leaders in the organisation, the importance of strong line management at all levels cannot be underestimated. Line managers play a vital role in in supporting the wellbeing and experience of their teams, having a direct impact on employee performance, engagement, and retention. To recognise this, we have introduced a dedicated line manager induction session. This session aims to equip

line managers with the necessary tools and insights to effectively support their teams from the outset.

Furthermore, in recognition of the ongoing need for continuous development, we have designed a comprehensive line manager development programme for new and existing managers, which is set to launch in the upcoming financial year. This programme has been designed to empower line managers with the skills and knowledge essential for nurturing a positive work environment, effectively managing a team, and promoting employee growth and development. By investing in the development of our line managers, we are not only enhancing their capabilities but also fostering a culture of support and excellence throughout the organisation.

Inclusion progress

Throughout 2023/24, the Trust has progressed many initiatives to promote inclusion and foster diversity. This included collaboration with existing staff networks to drive engagement, establishing a new neurodiversity staff network, and formulating an inclusion statement. Additionally, the Trust supported inclusive policy development, delivered inclusive leadership training, conducted a dedicated inclusion session with the Board of Directors, and commenced the initial cohort of the 'driving your careers programme.'

The issue of sexual safety in healthcare alongside wider society has result in significant work to understand and improve our approach to Sexual safety. The NHS Staff Survey asked questions about this for the first time showing that nearly 10% of staff responding had experienced unwanted sexual behaviour in the workplace; three quarters was directly from patients to staff and a quarter was between colleagues. This response was not time limited. However national research would indicate we should expect these numbers to be higher with one in 12 staff experiencing unwanted sexual behaviour each year.

The Trust established a sexual safety task and finish group in autumn 2023 with a view of ensuring the underpinning work was in place to enable the Trust to sign the new NHS Sexual Safety Charter. This group is focused on education, support, reporting and protocols were in place to address and mitigate instances of sexual harassment and assault within the healthcare environment. The Trust is signing up to the Sexual Safety Charter in late spring 2024. The launch will be the start of an ongoing process to improve culture and behaviours around sexual safety, encourage reporting to ensure a zero tolerance to poor sexual behaviour.

In addressing the prevalent issue of aggression and discrimination within the NHS, the Trust acknowledges that individuals from minority groups are often disproportionately impacted by aggression in the workplace. Therefore, the Trust has put in place interventions, including the establishment of a staff incident review group to further understand and improve the experiences of colleagues, with a particular focus on those who may be more vulnerable to such incidents.

Additionally, the national commitments in the long-term workforce plan and the national pay deal for Agenda for Change staff seeks to reduce violence and aggression in the workplace. Work to update and refresh our protocols, reporting and support for colleagues to seek to prevent violence and aggression where possible and ensure robust support when there are instances of violence affecting staff, working with the police when necessary.

The impact of these endeavours is reflected in positive changes in various metrics within our reporting. Notably, there was a 1.81% reduction in our mean and a 0.36% reduction in our median pay gap. Furthermore, there were notable increases in disabled colleagues feeling valued at work and having access to reasonable adjustments, as well as improvements in black and minority ethnic colleagues perceiving equal opportunities for career progression. Analysis of the 2023 staff survey data also revealed decreases in instances of harassment, bullying, or abuse experienced by black and minority ethnic and colleagues with a disability over the past 12 months.

It is noteworthy that pay gap reporting was voluntarily completed for black and minority ethnic and colleagues with a disability for the first time, enabling future comparisons. Additionally, the Trust went beyond reporting requirements by creating staffing reports for LGBTQ+ and religion and faith demographics, underscoring a commitment to inclusion efforts.

Vacancy reduction

Throughout the financial year 2023/24, the Trust has celebrated a notable achievement in its sustained reduction of vacancy levels, to levels not seen in recent years. This accomplishment can be attributed to several strategic initiatives, including significant improvements in recruitment methodologies through the 2022/23 programme of work on 'accelerating getting our vacancies filled' delivering into 2023. There was also a well delivered international recruitment programme primarily for nurses but more recently for AHPs.

Enhanced marketing materials, in particular for those 'hard to fill' roles and the continuation of recruitment fairs have effectively bolstered recruitment efforts, attracting a higher volume of qualified candidates from local areas and further afield.

The Council of Governors, recognising the significance of staff retention, prioritised this area for attention during the 2023/24 period. The concerted efforts in this regard have yielded tangible results, evidenced by a consistent decrease in turnover rates throughout the financial year. The Trust's focus on staff retention has played a crucial role in alleviating pressure on existing personnel. By filling more vacancies, the workload is distributed more evenly, resulting in increased engagement and decreased likelihood of staff turnover.

This emphasis on retention has been reinforced by the implementation of comprehensive career pathways across various professional domains. One notable success story in this regard is the reprofiling of nursing healthcare support workers' career pathways, which now offer clear progression opportunities from band two to band three positions. This restructuring not only provides employees with a clear trajectory for advancement but also serves to enhance overall job satisfaction and commitment to the organisation.

These achievements underscore the Trust's commitment to fostering a supportive and rewarding work environment, we a demonstrable improvement in reduced turnover in year of over 3%. This ultimately contributes to improve staff stability and experience and so success in delivering high-quality healthcare services.

Temporary staffing

While acknowledging the need for temporary staffing to meet fluctuating demands within the Trust, it is important to ensure that action is taken to get the right staff mix at reasonable cost without compromising patient care. Workforce planning is a vital part of ensuring stability, both on terms of people in post and enabling an accurate position to feed into operational and financial planning. Part of this includes monitoring the position against plan and understanding actions that need to be taken to ensure the Trust has the right level of workforce. As such, the Trust has consistently maintained its temporary staffing spend below the current 3.7% of pay bill target and is on track to meet the 3.2% target for 2024/25.

Vacancy control processes have continued to develop throughout the financial year, with improvements to the daily staffing meetings and standard operating procedures for use of 'break glass procedures' to ensure vigilant oversight of temporary nursing staffing. These meetings utilise an electronic daily staffing system, SafeCare, which runs alongside Healthroster to ensure decision-making is well informed using real time information. Additionally, the pay controls group has continued to monitor staffing levels and progress on temporary staffing reduction fortnightly, ensuring ongoing oversight and accountability.

In October 2023, our nursing and administrative temporary workforce (Central Bank) was fully outsourced to NHS Professionals (NHSP). This decision followed a thorough review of our temporary staffing arrangements across all services, aiming to address existing limitations, particularly regarding flexibility in pay and annual leave. This project has led to several benefits, including:

- improved continuity of patient care
- better bank fill rates and reduction of high cost agency usage including those with rates that 'off framework'
- enhanced transparency and oversight of greatest use
- streamlined recruitment processes
- providing fairer opportunities for contracted staff including weekly pay when they work bank shifts

Along with the clear benefits of both quality and continuity of care, it is important to note that the transition is starting to also deliver cost savings through increasing those paid on the staff bank and decreasing higher cost agency fill.

There are many plans for the coming year to further align our approach and reduce our reliance on temporary staff. One example is progress towards region-wide alignment to single southwest agency rate cards across nursing, medical and mental health which aims to meet compliance with price caps during the next financial year. Additionally, initiatives such as the roll-out of 'all staff' rostering and a system-wide programme on rostering productivity will also contribute to optimising staffing practices and reducing temporary staffing.

Apprentices

The Royal Devon is a full provider of apprenticeships, enabling us to offer internally delivered apprenticeships as well as partnering with external educational providers where necessary. This approach supports the recruitment of new colleagues, the development of existing colleagues, and fosters a culture of appreciation among our employees, helping our

people to feel valued. Apprenticeships cater to both clinical and non-clinical roles, providing an opportunity for anyone seeking career advancement and skill development within our Trust.

Our nursing health care support workers apprenticeship development pathway has been reviewed to ensure we have a secure pipeline for the higher-level apprenticeship programmes and enabling a progression route from band two to band three.

It is recognised that some colleagues were being held back by not having GCSE qualifications in maths and English; therefore, funding was secured in 2023, and a functional skills strategy was developed in January 2024. New roles have been introduced within the Trust to help colleagues who want to progress but need equivalent qualifications in maths and English (functional skills) to GCSE level. Early indications suggest that this support is significantly helping colleagues to pass their functional skills assessments.

Expertise in workforce planning has enabled us to predict and demonstrate the number of clinical apprentices needed to maintain the right staffing levels over the next five years. In particular, a strategy was agreed upon in January 2024 to support the salaries of our registered nurse degree apprentices, trainee nurse apprentices, and allied health professional apprentices, thus ensuring a secure pipeline. This will have a significant impact, as clinical areas have historically faced financial challenges.

Over the past year, we have continued to work with many external organisations as well as developing courses in house to grow our apprenticeship offer. As of 31 March 2024, we offer 49 different apprenticeship courses, compared to 42 at the same time the previous year, ranging from level two (the equivalent to GCSE level) all the way up to level seven (masters' degree).

Health inequalities

Health inequalities are unfair and avoidable differences in health across the population and between different groups within society.

The Trust has a duty to report health inequalities information is set out in the NHS England (NHSE) statement on information on health inequalities, which aims to encourage better quality data, and demonstrate the extent to which NHS organisations are able to identify groups that are at risk of poor access to healthcare, poor experiences of healthcare services, or outcomes from it, and deliver targeted action to reduce healthcare inequalities.

Background

Health inequalities arise because of differences in the conditions in which we are born, grow, live, work and age. The current UK 'cost-of-living crisis' is further worsening the socio-economic inequalities that drive many health disparities.

Many factors combine to affect the health of individuals and communities, such as where we live, the state of our environment, our income and education level, and our relationships with friends and family. It is estimated that only 20% of health inequalities relate directly to health service provision and it is these other wider determinants of health that have a far greater impact on health.

NHS providers have a key role – as a care provider, partner and anchor institution - in preventing or reducing ill health, to keep people better supported in their own communities, to address inequalities in access, experience and outcomes and use the levers we have at our disposal to influence the wider determinants of health alongside our partners.

Our duties

The NHSE statement on information on health inequalities published in November 2023 underlined that the Health and Care Act 2022 places a range of health inequalities duties on the NHS. It also outlines the powers available to NHS organisations to collect, analyse and publish information on health inequalities.

The purpose of the duty to report information on health inequalities is to encourage NHS bodies to use the data to shape and monitor improvement activity. The statement is intended to help drive improvement in the provision of good quality services and in reducing healthcare inequalities, helping to ensure equitable access, experience and outcomes for all. The statement also incentivises collaboration between NHS bodies on information collection and analysis to better understand the health and wellbeing needs of their local communities.

In publishing relevant data and analysis, the Trust has sought to exercise its functions in accordance with the NHSE statement on information on health inequalities.

The Royal Devon health inequalities strategy

In March 2024 the Trust published a health inequalities strategy that makes a commitment to play our part in addressing health disparities.

As the Trust's first ever strategy on health inequalities, the emphasis over the next few years will be on building the capacities, capabilities, confidence, learning and relationships with our partners to deliver tangible differences to the health outcomes of our communities.

The Royal Devon's role in tackling health inequalities is in three objectives:

- as a provider of care
- as a partner
- as an anchor institution

Health inequalities data sources

Good quality, qualitative and quantitative data is key to all our efforts to tackle health inequalities. Data enables us to know more about the populations we serve, understand their experience in their own words and helps guide our efforts to ensure equitable access, positive experience and optimal outcomes.

[2] "It is estimated that only 20% of health outcomes result from clinical interventions with the remaining 80% driven by wider determinants of health, such as lifestyle choices, social networks and environmental factors" (Reducing health inequalities: system, scale and sustainability – Public Health England, 2017)

There are five main categories of data which are accessed to support activities to tackle health inequalities:

- population health data
- national data platforms (the Foundry)
- local data capabilities, the Royal Devon's Epic electronic patient record has the functionality to record and report risk factors for health and healthcare inequalities across our acute and community patient caseload.
- partner data (i.e. housing, police, primary care)
- neighbourhood-level qualitative data/personal experience data. We will take concerted steps to understand the lived experience of people who are impacted by health inequalities. It is only be listening to the lived experience that services can understand how they must adapt their provision models to mitigate disadvantage and deprivation.

A key element of the Trust's work as a provider of healthcare services concerns access, completeness and transparency of our data. The Trust is committed to improving the use of data and information as part of its health inequalities strategy and commits to using data and insights to develop a deeper understanding of the extent and nature of health inequalities within populations.

The aim is to ensure that all relevant data sets used by the Trust incorporate, as standard, data relevant to ethnicity and deprivation as a way of driving service improvement on access, experience and outcomes.

Health inequalities data: a summary of Devon

The Devon joint strategic needs assessment (JSNA) highlights that Devon has an older population profile than England and population growth above the national average, influenced by the inward migration of people aged 40 to 75. The population is set to grow by 88,000 (11%) over the next 20 years, with low growth in under 65s (2%), but considerable growth in the older population (94% increase in people aged 85 and over). More than 75,000 dwellings are planned in the next 15-20 years with a greater concentration in the south and east of the county.

Devon has a skilled workforce with higher than average qualifications, but lower than average earnings. Overall crime rates are low but there are increasing risks from drugs, child sexual exploitation, domestic abuse and modern slavery. Fuel poverty and poor housing conditions, particularly in the private rented sector, are a major issue in many areas, especially in rural parts of Northern and Western Devon, which impacts on health and wellbeing. Homelessness is increasing, with more than 15,000 families on the housing register, and average house price more than nine times annual earnings, compared to seven times nationally. There have been recent increases in child poverty and more people are accessing emergency food supplies. Devon has higher levels of rural deprivation than the national average, particularly in Northern and Western Devon, and pockets of more severe deprivation in some urban areas. Social mobility (the ability of people to advance through education and employment) and access to housing and services are issues in these areas.

Considerable inequalities in health outcomes are evident across Devon:

Life expectancy
Worst - 75 years, Ilfracombe Central
Best - 90 years, Liverton

Long-term health issue (16-64)
Worst - 8.2%, Exeter Sidwell Street
Best - 0.8%, Widecombe-in-the-Moor

Child Poverty
Worst - 33.3%, Forches (Barnstaple)
Best - 1.1%, Teignmouth Road (Dawlish)

Fuel Poverty
Worst - 27.9%, Mount Pleasant (Exeter)
Best - 3.6%, Douglas Avenue (Exmouth)

NHSE statement on information on health inequalities data reporting and analysis

The following section sets out the data and information that the NHSE statement on information on health inequalities requires foundation trusts to publish in their annual report to help understand and improve health access, experience and outcomes.

Elective activity recovery: pre-pandemic (2019/20) vs current activity levels (2023/24)

This data compares the current numbers of patients routinely accessing elective procedures with activity levels from before the pandemic. The levels of activity give an indication as to whether any previous unmet need is now being met, and if provision is being accessed in the same way by everyone. The Royal Devon's health inequalities strategy commits to developing a greater understanding of any links between deprivation and ethnicity and elective access.

i. Total numbers

Under 18 years of age	No. patients accessing elective procedures	Pre / post pandemic % increase
2019/20	5011	
2023/24	5012*	0%
Over 18 years of age		
2019/20	127,493	
2023/24	154,903 **	21.5%

Source: Royal Devon Business Intelligence team

* is an estimated valued based on the available year to date data April 2023- Feb 2024 elective procedures of 4627 + 1-month average of 385 = 5,012.

** Includes elective activity from the Nightingale hospital site

For the under 18 age group the number of patients accessing elective procedures are the same as pre-pandemic levels indicating that activity levels have recovered. However, in the 18 and over patient group, the number of patients accessing elective procedures is above pre-pandemic levels. This indicates that the Royal Devon is still working through unmet need, including long waits, created by the pandemic. In line with national guidance to reduce the backlog, the Trust has achieved one of the greatest levels of waiting list reduction in England over the 2023/24 period (see relevant section in the annual report).

ii. Ethnicity

Under 18 years of age	White British Ethnicity	All other Ethnicity	Not stated
2019/20	95.26%	4.74%	11.2%
2023/24*	90.93%	9.07%	7.6%
Over 18 years of age			
2019/20	96.61%	3.39%	4.9%
2023/24	95.55%	4.45%	5.9%

Source: Royal Devon Business Intelligence team

* 11 months year to date data: April 2023 – February 2024

The elective care patient data shows that there are higher percentages of under 18s from a minority ethnic group than in 18s and over. There also appears to be a shift in the ethnicity demographics pre / post pandemic for the under 18 patient group. This could be partially attributable to improved accuracy in data recording as the pre-pandemic data had much higher incidence of ethnicity being not being record compared to 2023/24.

Improvements made in data accuracy are important as they will correct hidden ethnicity trends and the rates of 'not stated' remain above desirable levels. The Royal Devon will continue to monitor as more data becomes available but it is important to note that data for minority ethnic groups in Devon is based upon comparatively smaller groups of patients which makes data sensitive to small changes in actual numbers.

iii. Index of Multiple Deprivation (IMD): Under 18 years of age

		lowest		IMD		highest		
Under 18's		**1**	**2**	**3**	**4**	**5**	**Uncoded**	**Total**
2019/20	**Total**	397	1171	1682	1058	699	4	5011
Apr-Mar	**%**	7.9%	23.4%	33.6%	21.1%	13.9%	0.1%	
2023/24	**Total**	204	887	1555	1215	758	8	4627*
Apr-Feb	**%**	4.4%	19.2%	33.6%	26.3%	16.4%	0.2%	
	Difference	-3.5%	-4.2%	0.0%	5.1%	2.4%	0.1%	

Source: Royal Devon Business Intelligence team

* 11 months year to date data: April 2023 – February 2024

The under 18 pre / post pandemic elective data shows that there has been a shift in the IMD profiles of patients accessing care. While the number of patients remain consistent, there is a reduction in patients from IMD 1&2 and a proportional increase in patients from IMD 4&5 (IMD 1-2 = -7.7% IMD 4-5 = +7.5%). Although there are many factors that can impact on this data, the observed shift may indicate that post pandemic recovery is not equitable in under 18s accessing care. The Royal Devon is committed to reducing the impact of health inequalities and will seek to understand any factors in the data so that all patients have equal access to care.

iv. Index of Multiple Deprivation (IMD): 18 years and over

		lowest		IMD		highest		
Under 18's		**1**	**2**	**3**	**4**	**5**	**Uncoded**	**Total**
2019/20	**Total**	6345	30049	41228	28823	20850	198	127,493
Apr-Mar	**%**	5.0%	23.6%	32.3%	22.6%	16.4%	0.2%	
2023/24	**Total**	10632	37301	48659	36728	21306	277	154,903
Apr-Feb	**%**	6.9%	24.1%	31.4%	23.7%	13.8%	0.2%	
	Difference	1.9%	0.5%	-0.9%	1.1%	-2.6%	0.0%	

Source: Royal Devon Business Intelligence team

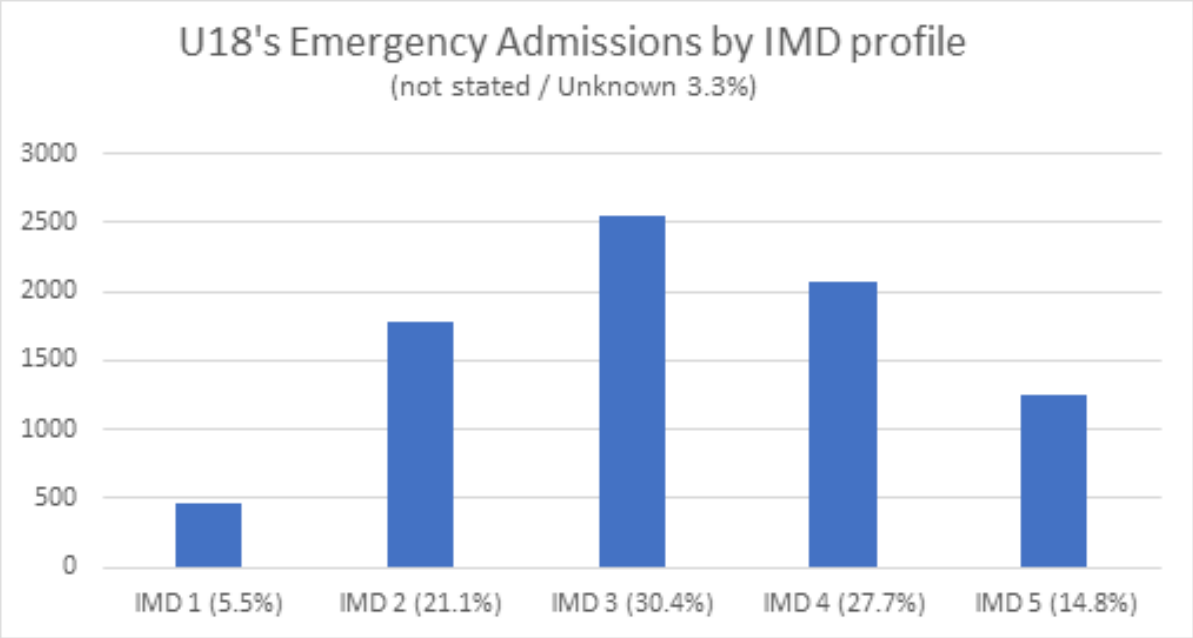
The 18 and over pre / post pandemic elective data shows that there are some small differences in the IMD profiles of patients accessing care. Although there are many factors that can impact on this data, overall the distribution remains relatively consistent (IMD 1-2 = +2.4% IMD 4-5 = -1.5%) with a small increase in patients from IMD 1 and a reduction in patients from IMD 5.

Emergency admissions for under 18s are in-line with demographic ethnicity in Devon with the majority of the Royal Devon's emergency admissions being white British (81.5%) with other ethnicities (and other) accounting for 18.5%. However, of note is a high proportion of unrecorded ethnic category codes (99 and Z = 7.8%) which account for nearly half of all non-white British recorded admissions.

The Royal Devon's health inequalities strategy recognises the importance of accurate data and is committed to improving the recording of ethnicity data.

v. Index of Multiple Deprivation (IMD)

The chart below shows the distribution of emergency admissions across all IMD profiles. However, admissions from lower IMD's appear comparatively lower than might be expected this is being further analysed by the Royal Devon's strategic outpatients' group to gain assurance that the Trust is meeting the needs of the entire population.



Smoking cessation in secondary care: acute and maternity settings

Smoking remains one of the biggest killers in this country. 64,000 people die from smoking-related illnesses in England every year and it's estimated that for every person who dies due to a smoking-related illness, there are another 30 who will suffer from serious smoking-related diseases. Smoking can cause more than 100 other diseases meaning that two out of every three smokers will die due to a smoking related disease. (NHS England 2021).

Smoking in pregnancy is the leading cause of preventable harm to the unborn child and poses significant health risks to both mother and baby including increased risk of miscarriage, low birth weight, foetal growth restriction (FGR) and neonatal death (NCSCT 2019).

Tackling smoking remains the leading modifiable cause of health inequalities and the NHS long term plan focuses on the importance of preventing avoidable illness and more active management of the health of the population. Treating tobacco dependence is specifically identified as a key service that can improve the prevention of avoidable illness. Tobacco dependency services are well established in primary care, and community and mental health care services and the NHS long term plan committed to providing NHS-funded tobacco treatment to all patients admitted to and discharged from hospital and pregnant women by 2023/24. (NHS England ref as above)

The Royal Devon has been implementing tobacco treatment pathways since 2022/23 and now has treatment pathways in place which delivers a smoking cessation intervention to 100% of all acute inpatients and pregnant women in both the Northern and Eastern Trust sites. This is a significant achievement which meets the requirements NHS long term plan. The next stage of this work will be to ensure that all patients, especially those groups with greater health inequalities, are taking up the offer and receiving the support. This will require further development in additional data capture, reporting and monitoring and forms part of the Trust health inequalities workplan for 2024/25.

The Royal Devon has been implementing tobacco treatment pathways since 2022/23 and now has treatment pathways in place which delivers a smoking cessation intervention to 100% of all acute inpatients and pregnant women across the Trust. This is a significant achievement.

The next stage of this work will be to ensure that all patients, especially those groups with greater health inequalities, are taking up the offer and receiving the support. This forms part of the Trust Health Inequalities workplan.

Oral health in children

Oral health is an important measure of health inequalities as the rate of dental caries-related tooth extraction (avoidable tooth decay) for children and young people living in the most deprived communities is nearly 3.5 times that of those living in the most affluent communities.

Tooth decay is still the most common reason for hospital admission in children aged between six and 10 years and requires Trusts to collate data on children aged 10 and under admitted as inpatients for caries related tooth extraction.

RDUH data	Number of inpatient cases	Number of extractions
23/24	30	116

In 2023/4 the Royal Devon had 30 admissions for caries related inpatient admissions for children under 10. The majority of cases involved a single extraction with a smaller proportion of cases having five more extractions. Due to the small numbers, it is not possible to analyse this data by ethnicity or IMD.

Conclusion

This is the first year NHS organisations have been requested to publish health inequalities information in their annual reports. It is anticipated that the requirements set out in the statement will evolve over time with more indicators being included from next year.

Since 2023, Royal Devon has reported health inequalities and ethnicity data on its waiting lists biannually to Board. From April 2024, the statement will now inform and enhance the approach to reporting and using health inequalities data to identify and tackle health inequalities.

Equality performance

The Trust is committed to working towards becoming a national exemplar for diversity, equality, and inclusion. We aim to create a positive sense of belonging for everyone, irrespective of their background or identity, and to value both visible and invisible differences. For us, inclusion is about actively striving to meet the needs of different people and creating environments where everyone feels respected, valued, safe, trusted and able to achieve their full potential. However, we know that there is a lot to learn and do, and we are committed to doing so because it is the right thing to do for both staff and the people we care for.

We take our responsibility seriously in ensuring no person (colleague, student, patient or public) will receive less favourable treatment on the grounds of the nine protected characteristics as governed by the Equality Act 2010, regardless of race or ethnicity, age, disability, nationality, gender, gender reassignment, sexual orientation, religion or belief, marriage, and civil partnerships.

The Royal Devon strategy sets out our mission to work together to help you to stay healthy and to care for you expertly and compassionately when you are not. The strategy emphasises that the Trust is a values-driven organisation and inclusion is central to achieving its mission.

Our Board of Directors understands that inclusion is fundamental to the approach the organisation takes to organisational development, culture change, service improvement, and public and patient engagement. Moreover, while the focus on protected characteristics in this field must remain central to our work, there is a keen sense that there are other barriers that reduce equality of access, or which lead to discrimination. Our work must reflect this broader understanding.

To understand the experience of our employees and to ensure we are directing our efforts in the right places, we regularly monitor key metrics and use this intelligence to inform planning. This includes the usual statutory and national reporting that would be expected and that is detailed in the Equality Report. However, the Trust also goes beyond mandated reporting, ensuring that we look at demographic data in a multitude of contexts. For staff this includes formal and informal resolution of cases, experience surveys and understanding of pay gaps in other demographic groups in addition to gender. In terms of monitoring of patient experience, work is being completed to understand how demographic information can be collected in the future.

We aim to:

- Enhance experiences for everyone, patients, carers and staff at the Royal Devon in line with our values and aspiration for inclusivity
- Ensure our services are delivered in a way that is demonstrably inclusive and that enables equality of access for all
- Create an environment where our staff have an ongoing sense of belonging and everyone is able to flourish and progress equally.

Overall, the Trust's commitment to promoting equality, preventing discrimination, monitoring equality data, delivering inclusive services, and fostering workforce inclusion aligns with the aims of the public sector equality duty. Our approach to inclusion means we have a number of key plans aimed at strategic change including:

- Board involvement in inclusion and health inequalities, integrating it into their decision-making processes and ensuring that inclusion is embedded in our ‘better together’ strategy
- Building upon the steer provided by the Board, which plays a pivotal role in setting the tone and leadership on inclusion, drawing upon the experiences and insights of our colleagues and the communities we serve.
- Executive commitments to inclusion:
  - Openly talk about our concerns around exclusion in our work environment and whilst we have made progress, to openly talk about the ‘frozen tier’ and our commitment to address it
  - Transparently share experiences and stories of exclusion that have been shared with us, use them as a catalyst for change and continue to call out all exclusive behaviour
  - Name sexual harassment and lack of racial diversity as cultural concerns for our organisation impacting on the psychological safety of our people
  - Support the violence and aggression work as it develops, recognising its connection to exclusion and psychological safety
  - Endorse and promote the new inclusion policy statement and use it to inform decision making

- Ensure all strategies and integration plans are genuinely reviewed for equity risks and equality impact
- Review career progression metrics in our own professional areas, including demographic factors to determine areas where there is a lack of progression
- Support embedding the inclusive recruitment objectives into all recruitment process (much of this is in the process but not driven as a necessity)
- Every executive director to be an executive sponsor of a network and/or a reciprocal mentor
- Undertake the Inclusive Leadership Programme and ensure all our reports/senior colleagues do the same.

- Sustaining efforts to create a social movement for change within the organisation focussing on attitudinal shifts and changing ways of working, to fully embrace diversity and inclusion.
- Ensuring that all healthcare services provided by the Trust are accessible and inclusive to all individuals, aligning with our legal obligations under the Equality Act 2010.
- Embedding inclusion as one of our core values to foster the development of a genuinely inclusive organisation.
- Collaborating with individuals with learning disabilities to enhance access to healthcare services, resulting in a deeper understanding of the challenges faced by this demographic and the implementation of improved communication materials.
- Expecting colleagues to challenge any discriminatory or harassing behaviour and report such incidents through established procedures, such as grievance, disciplinary, whistleblowing, or incident reporting.
- Diligently working to meet the accessibility information standard requirements imposed on all NHS organisations. Additionally, striving to ensure that our website is as user-friendly and comprehensible as possible, providing visitors with disabilities the same benefit as those without disabilities.

We have developed a plan which sets out our strategic commitment to workforce inclusion. There have been many achievements in this space including:

- Delivery of several key training sessions to colleagues aimed at inclusion, including inclusive leadership training.
- Launching our pilot programme, 'driving your career', designed to address disparities for staff groups encountering barriers to progression.
- Progress against the NHS equality, diversity, and inclusion improvement plan
- A review of our recruitment processes to ensure we continue to be inclusive employers.
- Further work using project simplify principles, aimed at refreshing our policies to make them more accessible, compassionate, and inclusive for all colleagues.
- Organised a regional inclusion week programme across the Devon system.
- Establishing a newly created Sexual Safety in the Workplace Task and Finish Group.
- Creation of a new clinical lead role to support internationally recruited colleagues.
- Providing specialist inclusion training sessions for the NHS 75th birthday celebrations.
- Launching just and learning culture practices including Responsible Bystander Training for colleagues.
- Supporting existing staff networks and establishing new ones, including the staff Neurodiversity Network.
- Introducing two new guidelines: The Transgender Workplace Support Guide for our colleagues and The Trans, Non-binary, and Intersex Gender Recognition Patient Support Guidelines.
- Assisting in the creation and design of the research team conference, with a focus on inclusion and health inequalities, featuring a session presented by the Trust's inclusion lead alongside national speakers.
- Hosting our first webinar with our LGBTQ+ Staff Network, featuring speakers from the Trust, The University of Exeter, The Met Office, and Plymouth Community Mental Health to discuss trans and non-binary matters.

- Formulating and publishing a new inclusion policy statement applicable to all aspects of our operations. The refreshed look and accessibility of the policy statement ensure genuine inclusion permeates all our policies rather than being confined to a single document.
- Producing the initial iterations of our workforce equality reports on religion and faith, as well as LGBTQ+ data, alongside reports on ethnicity pay gaps and disability pay gaps.
- Achieving significant improvements across nearly all indicators in our Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) reports.
- Establishing a Staff Incident Review Group.
- Facilitating Trust engagement and participation in community celebrations of Windrush 75, with ongoing planning activities to foster community cohesion with the Royal Devon across the Devon footprint.

Social, community, anti-bribery and human rights issues

We are committed to ensuring that services are accessible, appropriate and sensitive to the needs of the whole community, with a workforce representative at all levels of the population it serves.

The Trust is working hard to deliver services to its patients and colleagues, which reflect equality, diversity and inclusion in all areas and respect of human rights, in accordance with the requirements of the Equality Act 2010, the Workforce Race Equality Scheme (WRES), the Workforce Disability Equality Scheme (WDES) and Gender Pay Gap Reporting. Action plans to identify and address issues related to WRES, WDES and gender pay reporting are monitored by the Board and the Inclusion Steering Group chaired by the chief executive officer. We are committed to ensuring the advancement of equality of opportunity between different groups, whether they are people who work for us or the patients and communities we serve. As a public body we believe it is our duty to work towards eliminating discrimination and help foster positive relations between the different groups that make up society.

Our work with local care partnerships, with our health and social care partners and the voluntary, community and social enterprise sector seeks to address heath inequalities and is carried out in accordance with the Equality Act 2010.

Throughout 2023/24, the Board has remained committed to maintaining an honest and open atmosphere, ensuring that all concerns involving potential fraud have been identified and investigated in line with the expectations of the NHS Counter Fraud Authority. In any such cases appropriate civil, disciplinary and/or criminal sanctions have been applied, where guilt has been proven to the required standard.

The Trust engages ASW Assurance to provide a suitably qualified and nominated local counter fraud specialist (LCFS) to support its work in this area. This has helped to create an anti-fraud culture, including a new Counter Fraud Champion role held by the operational director of finance, which has enabled deterrence and prevention measures to be embedded in the organisation which forms part of the annual Counter Fraud report summarising Counter Fraud activity and outcomes during the year.

The Trust's Audit Committee agrees the annual work plan for the LCFS and receives routine reports on progress against its delivery. The committee has agreed the Trust's policy for dealing with suspected fraud, bribery and corruption. The Trust submits an annual self-assessment about its counter fraud arrangements and work against the Government Functional Standard GovS 013: Counter Fraud to the NHS Counter Fraud Authority.

ACCOUNTABILITY REPORT

Quality governance reporting

Patient experience of care

The 2023/24 patient experience work plan sets out a number of improvements and developments linked with the implementation of year two of the **Patient Experience Strategy 2022-2025**, and is in addition to the team's "business as usual" activities. This year has seen the further development of additional workstreams supported by workplans driving forward improvements within Patient Feedback, Complaints and PALs and Spiritual Care and Chaplaincy.

Patient experience governance

The Trust's patient experience operational group (PEOG) reports to the Trust Board's patient experience committee (PEC) and focuses on improving and sustaining patient experience, promoting co-production and co-design whenever appropriate. Through its work, the group ensures that we are listening to what matters to our patients and acting on patient feedback to continually improve the experience of care we offer. The PEC monitors the progress of all workplans associated with delivering the patient experience strategy, providing assurance to the Board's governance committee.

Patient stories

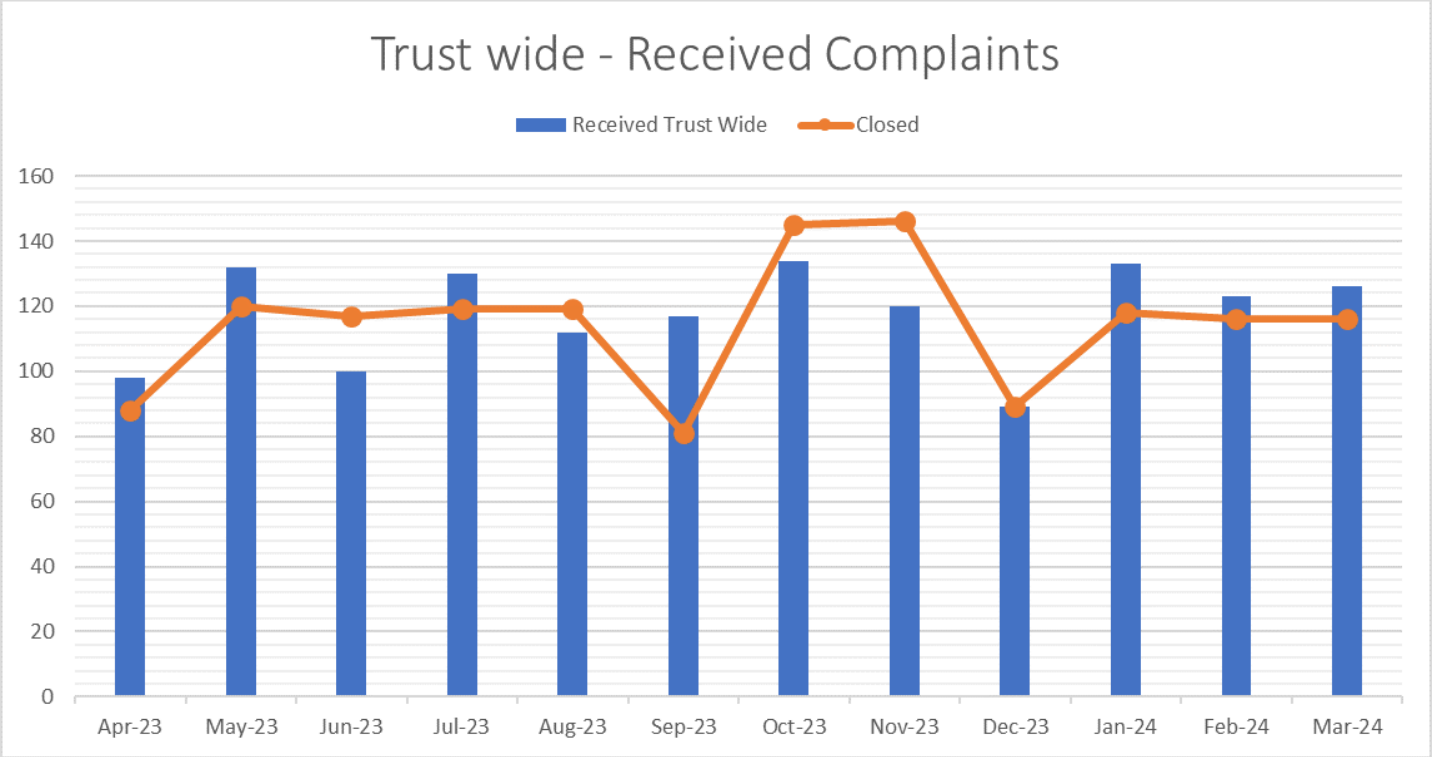
Listening to, and learning from patient stories is fundamental to improving the safety and experience of our patients and carers. Patient stories are presented at every Trust Board meeting, and operations board. These stories are pre-recorded and presented virtually. Patient stories are obtained either from compliments, complaints, service transformation projects, letters from patients who have approached the Trust, or from staff who feel that one of their patients has had an experience which we can learn from. This year a central repository of patient stories has been developed which means that all staff can access patient stories via the repository and use them for learning purposes.

Complaint handling

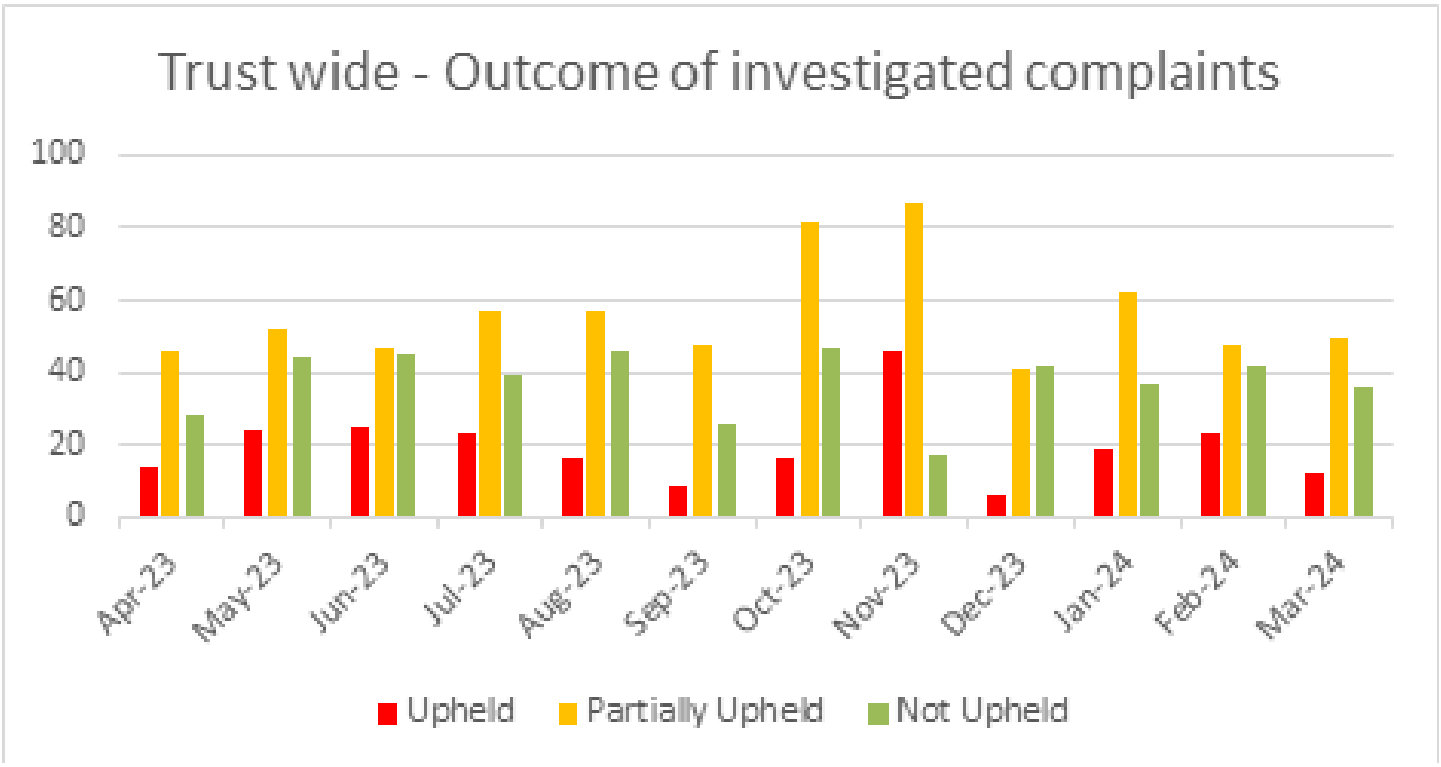
We are committed to welcoming all forms of feedback, including complaints, and using them to improve our services. The Trust strives to provide the best care. However, when we do not get this right, complaints from our patients, carers and relatives are a vital source of feedback and we use themes to establish learning and identify quality improvement opportunities.

The **new complaint standards** were formally launched in early summer 2023, however involvement as an early adopter site throughout 2022/23 helped us to transition to the new standards which included alignment of processes, data and reporting across both sites and the development of the trust wide complaints policy. The Trust continues to embed these standards, striving to achieve good complaint handling that focuses on promoting a learning and improvement culture, positively seeking feedback, being thorough and fair, and giving fair and accountable decisions. The Trust continues to have a positive working relationship with the Parliamentary and Health Service Ombudsman (PHSO) and has aligned and strengthened our communication process with them. In 2024, the Trust will roll out a new complaints training package, that embodies the PHSO standards and will provide our colleagues with the tools to learn from and make every complaint count.

Between April 2023 and March 2024, the Trust received 1,413 complaints. This is a decrease of 17.9% when compared to the previous year, 1, 374 complaints were closed during 23/24.



Regulation 17, Section (b), of The Local Authority Social Services and National Health Service Complaints (England) Regulations (2009), states that the Trust is required to record an outcome for each complaint.



To provide evidence of learning and improvement SMART actions are recorded on the DATIX system along with supporting documentation to provide assurance the action has been completed. The monitoring and learning from actions are reported and monitored at specialty and divisional governance meetings.

The top five themes for complaints during 2023/24 were:

- Communication
- Values and behaviours
- Patient care
- Admissions and discharges
- Appointments

Reopened complaints

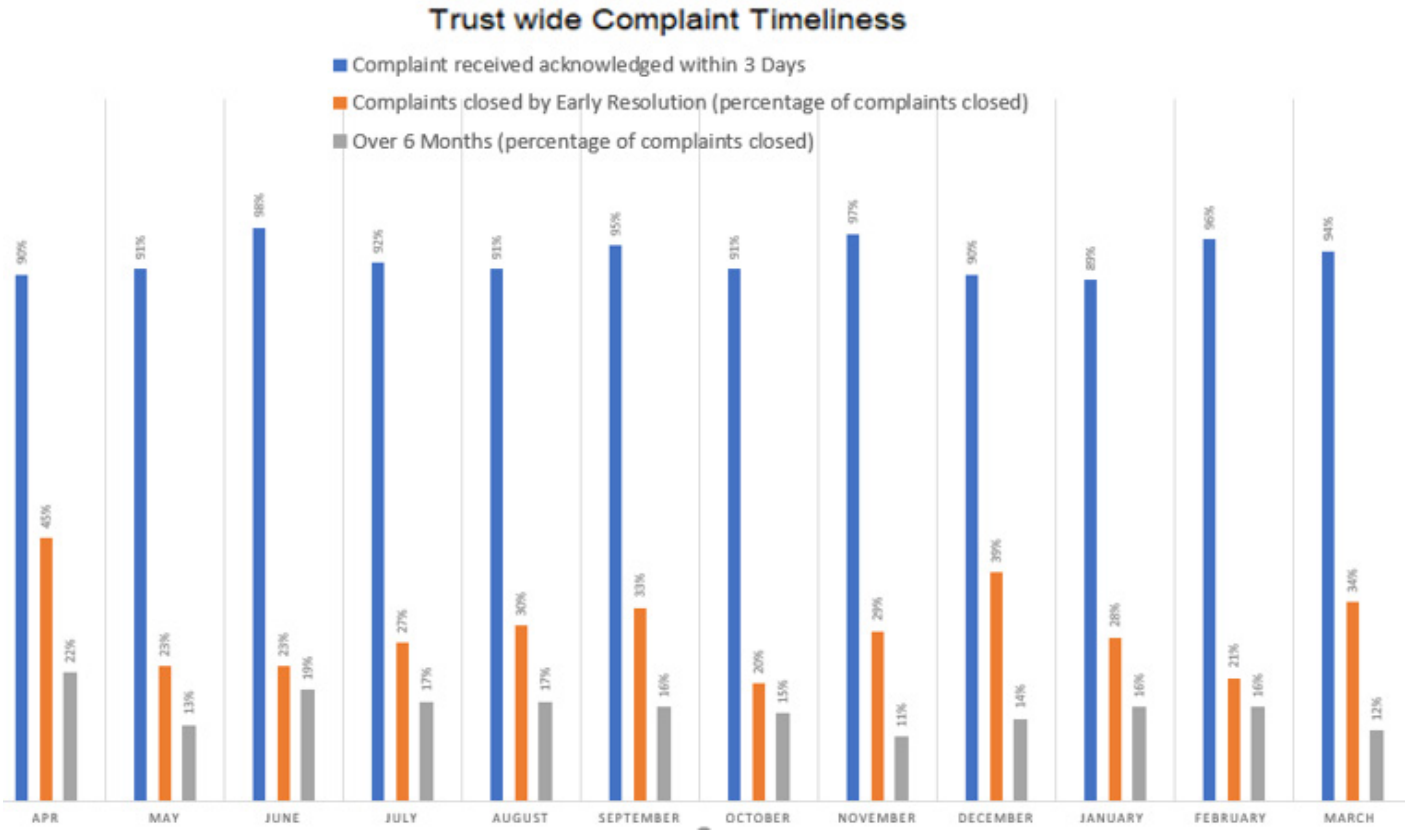
When complaints are re-opened it may indicate that the initial resolution of a complaint was deemed unsatisfactory by the complainant or that new information has emerged. Overall, re-opened complaints in the NHS serve as an important mechanism for continuous improvement, patient-centered care, and ensuring accountability in the healthcare system. It also provides us with opportunities to review our expectations and communication of the formal complaints process.

106 complaints were re-opened in year which accounted for 7.5% of the total complaints and concerns closed. Where appropriate the Trust offered local resolution meetings for complainants to talk about and have their concerns heard with the senior clinical teams who have investigated the complaint.

Complaints compliance

The Local Authority Social Services and National Health Service Complaints (England) Regulations (2009) set out the rights of complainants to receive an investigation and formal response to their complaint in an appropriate and timely timescale. It also states that all complaints are required to be acknowledged within three working days and that if the investigation cannot be concluded (and a final response issued) within six months (or longer if that has been agreed with the person making the complaint at the outset), you must write to the person to explain the reasons for the delay and give the likely timescale for completion.

The table below relates to the timeliness of complaint acknowledgement, responses exceeding six months and the percentage of complaints that were dealt with via an early resolution process.



Patient Advice and Liaison Services (PALs) contacts data

The Patient Advice and Liaison Service (PALs) is a free and confidential service that helps patients, families, and carers find answers to questions or concerns regarding the care and treatment received from the Trust. Our dedicated PALs team acts impartially and independently to offer a quick resolution to concerns or issues and provides relevant information or signposting.

During 2023/24 the Trust received 1, 887 PALS contacts. This is a 24% increase on the previous year which accounts for the focused work to log PALS contacts at our Eastern site.

The top five themes for Trust wide PALS contacts during 2023/24 were:

- Communication
- Appointments
- Trust admin/policies/procedures
- Facilities
- Waiting times

Parliamentary and Health Service Ombudsman

When the PHSO receives a request to investigate a complaint, its first step is to complete a primary investigation. This involves contacting us to request information to enable them to complete initial checks. Approximately 25% of primary investigations will proceed to a detailed investigation.

A detailed investigation will take a closer look at how we have managed the complaint and seek clinical advice on our investigation findings. Once an investigation is complete the PHSO will decide if the complainant's concerns are: upheld, partly upheld or not upheld. If a complaint is upheld or partly upheld, the PHSO will make recommendations for the Trust to resolve this.

The table below shows the number of cases that were investigated by the PHSO during this financial year, alongside outcomes of their reviews concluded within the year (which could relate to cases from previous financial years). The case that was closed, was not upheld. If a case is partly upheld or upheld, the Trust complies with all of the recommendations, which are monitored by governance to completion.

PHSO investigations 2023/24	Number	Outcome		
Investigations received	17			
Investigations closed	1	Upheld	Partly upheld	Not upheld
		0	0	1

Patient surveys

Care Quality Commission national patient experience survey: urgent and emergency care 2022

The Trust received results for the urgent and emergency care survey 2022 for the first time as an integrated Trust. For type one services, the Trust performed well with an average score of 7.9 out of 10. We did not score lower than the national average in any metric and we scored better than the national average for 13 metrics. For type three services, the trust performed very well with an average score of 8.7 out of 10. We did not score lower than the national average on any metrics and we scored better than the national average for nine metrics.

We saw a significant decrease (5% or more) compared to the 2020 survey for the following aspects of care:

- Waiting times
- Pain control
- Some aspects of discharge processes

Overall, patients told us that they:

- felt listened to and communicated with
- felt involved in decisions
- felt safe in our care
- had confidence in our staff and felt supported
- felt respected and treated with dignity

Waiting times within both types of services is a real concern for patients, and matches the national picture. The Trust has an extensive urgent and emergency care programme within which waiting times and flow through emergency settings is monitored. Work is ongoing both locally and nationally to improve.

Care Quality Commission national patient experience adult inpatient survey 2022

The 2022 survey results were combined for the first time following Royal Devon's integration in April 2022 with no further disaggregation of data available.

The Trust performed well with an overall experience score of 8.5 out of 10, and out of the total 45 questions:

- one result achieved 'better than expected'
- three results achieved 'somewhat better than expected'
- one result was rated as 'somewhat worse than expected'

And the remaining 40 questions 'stayed the same' as the national benchmark.

The survey highlighted that patients rated the Trust highly in the following areas:

- Food outside set meal times - patients being able to get hospital food outside of set meal times, if needed
- Help with eating - patients being given enough help from colleagues to eat meals, if needed
- Dietary needs or requirements - patients being offered food that met any dietary needs or requirements they had
- After the operation or procedure - patients being given an explanation from staff of how their operation of procedure went
- Changing wards during the night - colleagues explaining the reason for patients needing to change wards during the night.

Although the Trust scored highly within expected ranges, themes have been identified within the survey report highlighting the following areas in which patient experience could improve:

- Waiting to be admitted - patients feeling that they waited the right amount of time on the waiting list before being admitted to hospital
- Noise from other patients - patients not being bothered by noise at night from other patients
- Feedback on care - patients being asked to give their views on the quality of their care
- Further health or social care services - patients being given information about further health or social care services they may need after leaving hospital
- Support from health or social care services - patients being given enough support from health or social care services to help them recover or manage their condition after leaving hospital

National cancer patient experience survey (CPES) 2022

Both RD&E and NDHT pre-integration consistently performed well in the CPES with 2022 being the first year that the Royal Devon has been recognised as an integrated Trust.

In total, 18 of the 59 survey responses were above the expected national range. No questions were below the expected range. The survey highlighted that patients rated the Trust highly in the following areas:

- Referral for diagnosis was explained in a way the patient could completely understand
- Diagnostic test colleagues appeared to completely have all the information they needed about the patient.
- Patient was told they could go back later for more information about their diagnosis.
- Patient found it very or quite easy to contact their main contact person.
- Treatment options were explained in a way the patient could completely understand.
- Family and/or carers were definitely involved as much as the patient wanted them to be in decisions about treatment options.
- Patient could get further advice or a second opinion before making decisions about their treatment options
- Staff provided the patient with relevant information on available support
- Patient definitely got the right level of support for their overall health and well-being from hospital colleagues
- Patient's family, or someone close, was definitely able to talk to a member of the team looking after the patient in hospital
- Patient was always able to get help from ward staff when needed
- Patient was always able to discuss worries and fears with hospital staff

- Patient was always treated with respect and dignity while in hospital
- Patient was always able to discuss worries and fears with hospital staff while being treated as an outpatient or day case.

Although the Trust scored highly within expected ranges, six actions have been identified. Progress on these actions will be monitored through the patient experience operational group meeting.

The Friends and Family Test

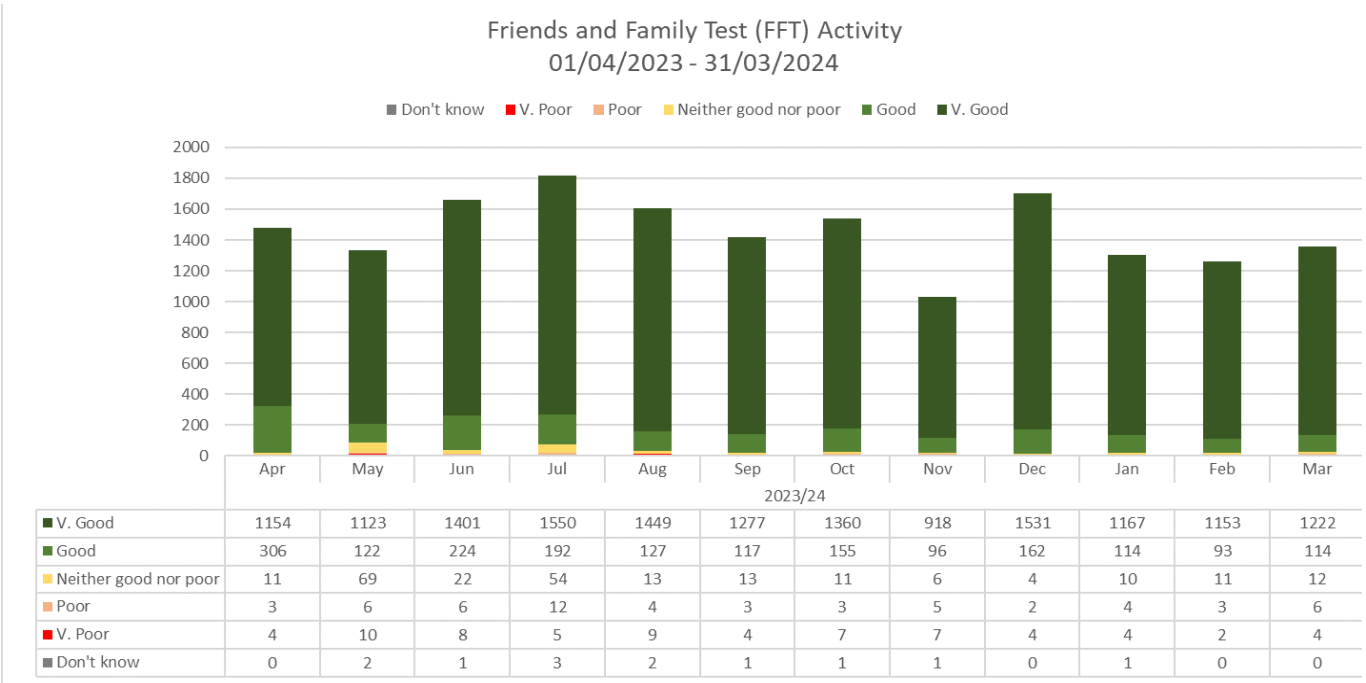
The Friends and Family Test (FFT) gives patients who have received care throughout the Trust the opportunity to provide immediate feedback about their experience at any time.

The FFT question is: 'Overall, how was your experience of our service?' with the following response options available: Very good, Good, neither good nor poor, Poor, very poor, don't know.

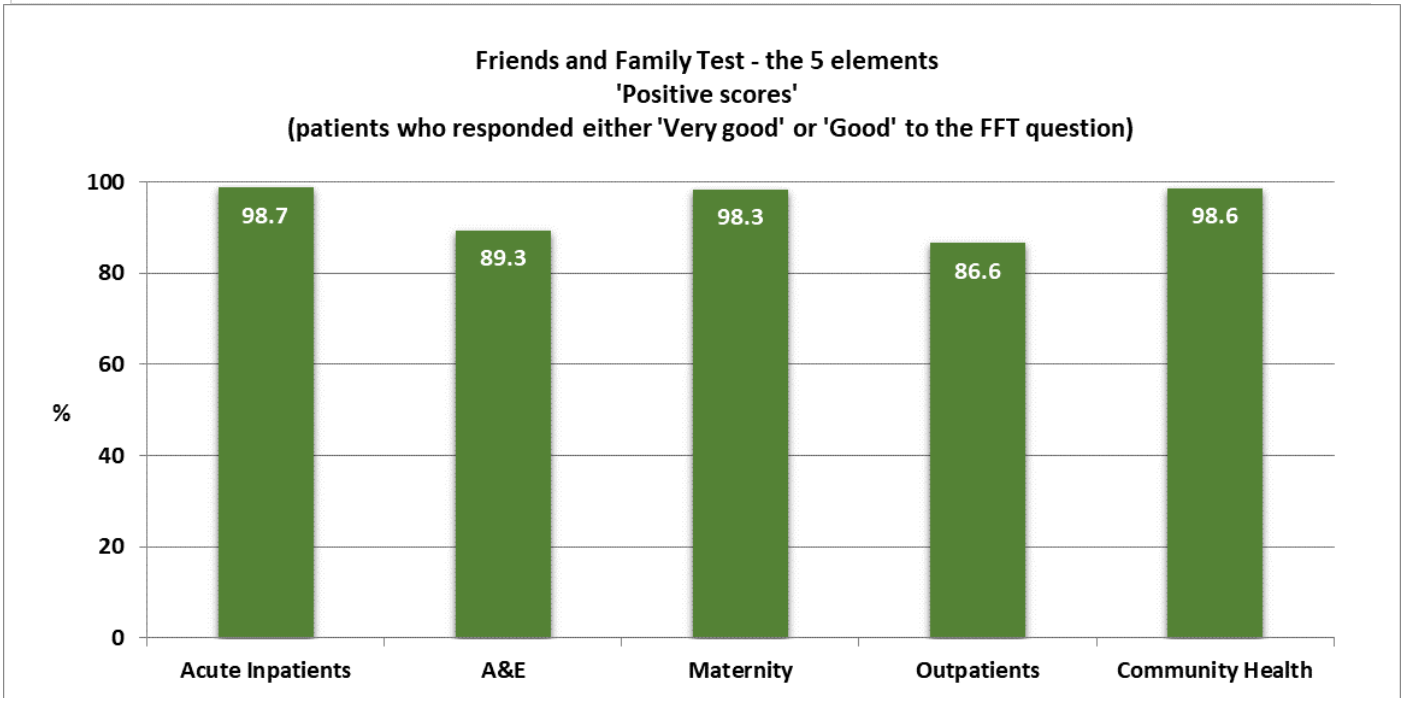
Between April 2023 and March 2024 17, 500 responses were received which resulted in a 97.8% positive score.

The following tables suggest a consistently high level of patient satisfaction Trust-wide across all five elements of the FFT.

Patients are routinely asked for the reason why they answered the FFT question in the way they did and for suggestions as to how the Trust might further improve the service they have experienced.



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
V. Good	1154	1123	1401	1550	1449	1277	1360	918	1531	1167	1153	1222
Good	306	122	224	192	127	117	155	96	162	114	93	114
Neither good nor poor	11	69	22	54	13	13	11	6	4	10	11	12
Poor	3	6	6	12	4	3	3	5	2	4	3	6
V. Poor	4	10	8	5	9	4	7	7	4	4	2	4
Don't know	0	2	1	3	2	1	1	1	0	1	0	0



Care Opinion

Care Opinion is a tool that generates real time feedback from service users. An advanced-level subscription with Care Opinion has been in place for Northern services since 2021 and the roll out to Eastern services has commenced during 2023/24. During 2023/24, 1,349 people shared their story via Care Opinion which is a 152% increase on feedback received via this method last year.

Overall, the feedback received a positive rating of 82% recorded for the year, with 12% having a critical element (6% were unknown as they were transferred from NHS England, where stories are not rated). Story ratings are assigned by Care Opinion moderators to support our alerting service. These ratings are not applied to stories received via NHS.uk

Story rating	Number	mber
Unknown (received via nhs.uk)	75	6%
Not critical	1111	82%
Minimally critical	36	3%
Mildly critical	95	7%
Moderately critical	31	2%
Strongly critical	1	0%
Severely critical	0	0%
Total	1349	100%

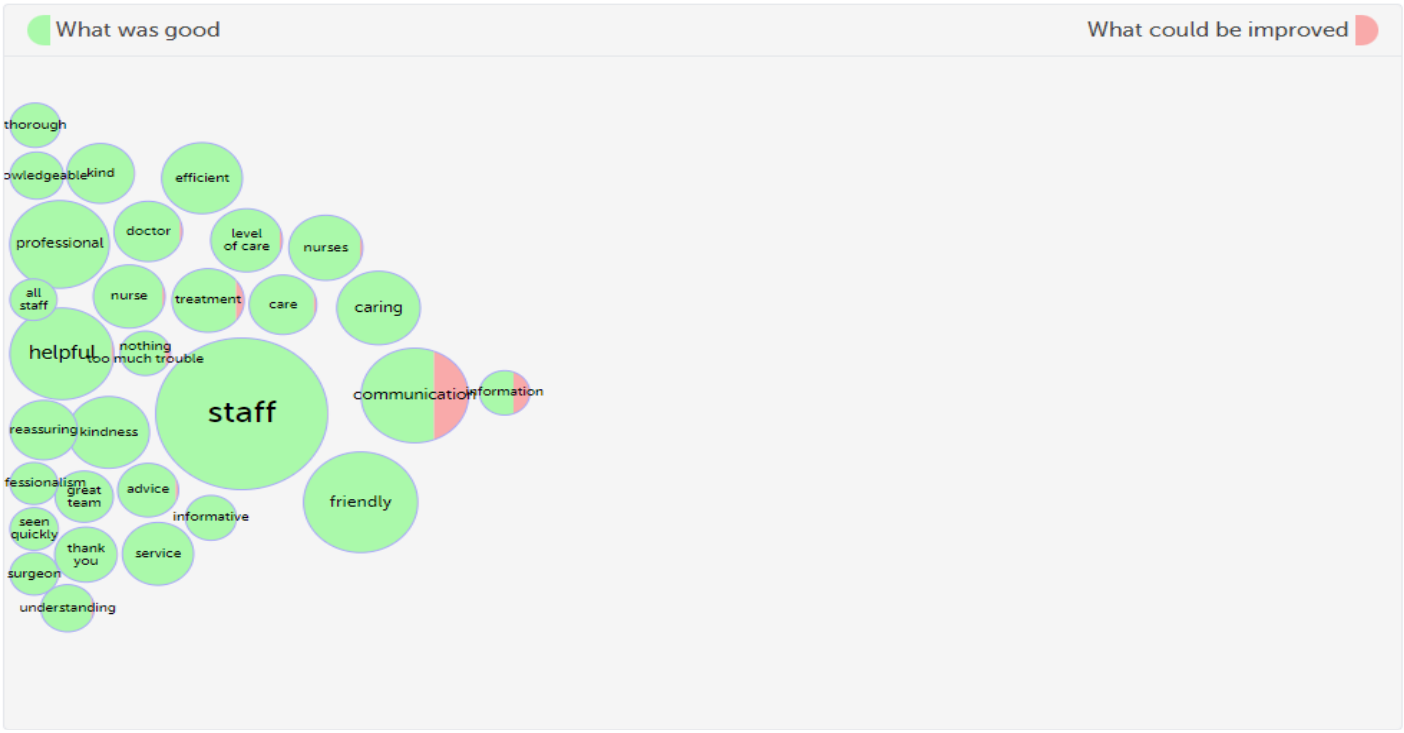
Care Opinion offers an accessible platform for patients, relatives and carers to leave feedback online, via freephone or in writing. The website gives access to more than 100 languages and the text size, colour and contrast can be altered depending on the user preference. A British and Irish Sign Language video is available to explain the service. Talking mats are also available to tell a story allowing more people to voice their feedback via a variety of inclusive options.

During 2023/24, 36% (480) stories were received via the website, 3% (43) stories were received via the freephone service, 7% (95) chose to use the freepost leaflet. The largest percentage was 54% (731) which were received using a QR code provided by the service.

The diagram below is a visualisation of the feedback that has been received during 2023/24. The green bubbles represent positive feedback, and the red bubbles relate to feedback for improvement. The bigger the bubble the more mentions of this word or phrase. Services have responded and used the feedback to make improvements in real time and celebrate and share the positive reviews within their teams.

An interactive version of the Care Opinion 2023/24 visualisation is available **here**: The interactive visualisation links the visual bubble to the stories received, enabling services to learn from analysed feedback themes.

RDUH Annual report 01/04/2023 - 31/03/2024 / Visualisation



You said we did

	You said	We did!
1	The Friends and Family Test A number of patients reported long waiting times in the clinic. (Eye Clinic – North Devon District Hospital)	We appointed ophthalmic technicians to support with resilience in the team, which will help to reduce waiting times.
7	The Friends and Family Test Some patients were experiencing difficulty accessing the service via the phone triage system. They felt that having to be triaged first, even though they may have symptoms, before being able to book an appointment was an unnecessary barrier. (Devon Sexual Health – Exeter, Sidwell Street)	We changed the phone system, appreciating that it was frustrating and a barrier to access for many patients. Patients are now able to direct book most appointments and are given the option of a telephone appointment, if preferred. Since this change, the phone lines and appointments appear to be much more accessible and a lot of positive feedback has been received from patients and colleagues.

	You said	We did!
9	Care Opinion "There are not enough disabled car parking spaces". (Bideford Community Hospital)	We increased the number of disabled car parking spaces from five to seven.
11	Care Opinion "When arriving for a CT scan, there was inadequate signage, no wheelchair access and the staff member did not know the location of an accessible toilet." Additional feedback conveyed the patient letter had not explained about the wait required from arrival to the time of the CT scan. (Radiology CT scan – North Devon District Hospital)	We relocated the waiting room for the mobile CT scanner to a new portacabin, with improved access for wheelchairs and extra signage to direct patients. All new and bank colleagues are now made aware of where to find the nearest facilities, such as accessible toilets etc. We now ensure that information is given to patients over the phone at the time of arranging an appointment to ensure that they are aware how long they will be in the department/mobile scanner. We have also improved the wording on patient letters, making it clearer regarding the prep time and scan time for CT scans.
12	**Direct patient feedback** A number of parents (especially those who had had their babies elsewhere and were being transferred back to North Devon District Hospital as their local hospital) commented that it would be helpful to have an idea of the location of the unit, its size and the level of service provided. (Special Care Baby Unit - North Devon District Hospital)	We created a virtual tour of the unit, in conjunction with the South West Neonatal Network team. The virtual tour can be viewed **here**
6	The Friends and Family Test Some patients commented that they felt the discharge lounge was too small, got crowded easily and lacked a TV and other facilities. (Discharge Lounge – North Devon District Hospital)	We built a spacious discharge hub providing a pleasant experience for patients on their way home. It is equipped with comfortable chairs and beds. There is a disabled toilet with a raised seat, and showering facilities. The lounge is able to provide tea, coffee, sandwiches, fresh fruit and juice. There is a TV, plus magazines for patients to read while they are waiting to go home.

	You said	We did!
21	Care Opinion A patient reported they were experiencing difficulty in contacting the radiology department. (Radiology – North Devon District Hospital)	We now have more administration staff available in appointments, answering queries and responding to answerphone messages. Contact email addresses for each of the radiology modalities are now included in patient letters.
24	The Friends and Family Test "I used the shuttle bus from the science park. It was cold with heavy rain but there was no shelter and the bus was 15 minutes late." (Nightingale Hospital – Exeter)	There is now a bus shelter located with seating to provide greater comfort and shelter from the elements. All issues relating to the Shuttle bus are fed back directly to the provider via our facilities team.
34	Care Opinion It is not stated in the appointment letter that assessment and treatment are carried out on different days. (Maxillofacial and Orthodontics – North Devon District Hospital)	We amended the maxillofacial and orthodontics department's appointment letter to clarify that assessment and treatment are carried out on different days.
42	Care Opinion A patient having COVID-19 with cancer was unable to obtain the required advice when attending the Emergency Department (ED), and so subsequently had to phone the Seamoor Unit to be referred for antiviral medication. (Emergency Department - North Devon District Hospital)	We reviewed the process around referring patients in ED for antiviral medications. As a result of this review, the pathway from ED to the COVID Medicines Delivery Unit was updated to be in line with the way in which the Seamoor Unit refers for antiviral medications. The updated pathway is now live for all ED doctors to use and the information has been shared with the wider ED team for shared learning and awareness of the new pathway.
46	Care Opinion A patient attended for a booked appointment but the required vaccinations were not in stock. (Devon Sexual Health – Northern Services)	We introduced more regular stock checks to ensure that our clinics can deliver vaccinations when patients require them, while also recognising that there may be times when they may not be available due to a lack of supply.

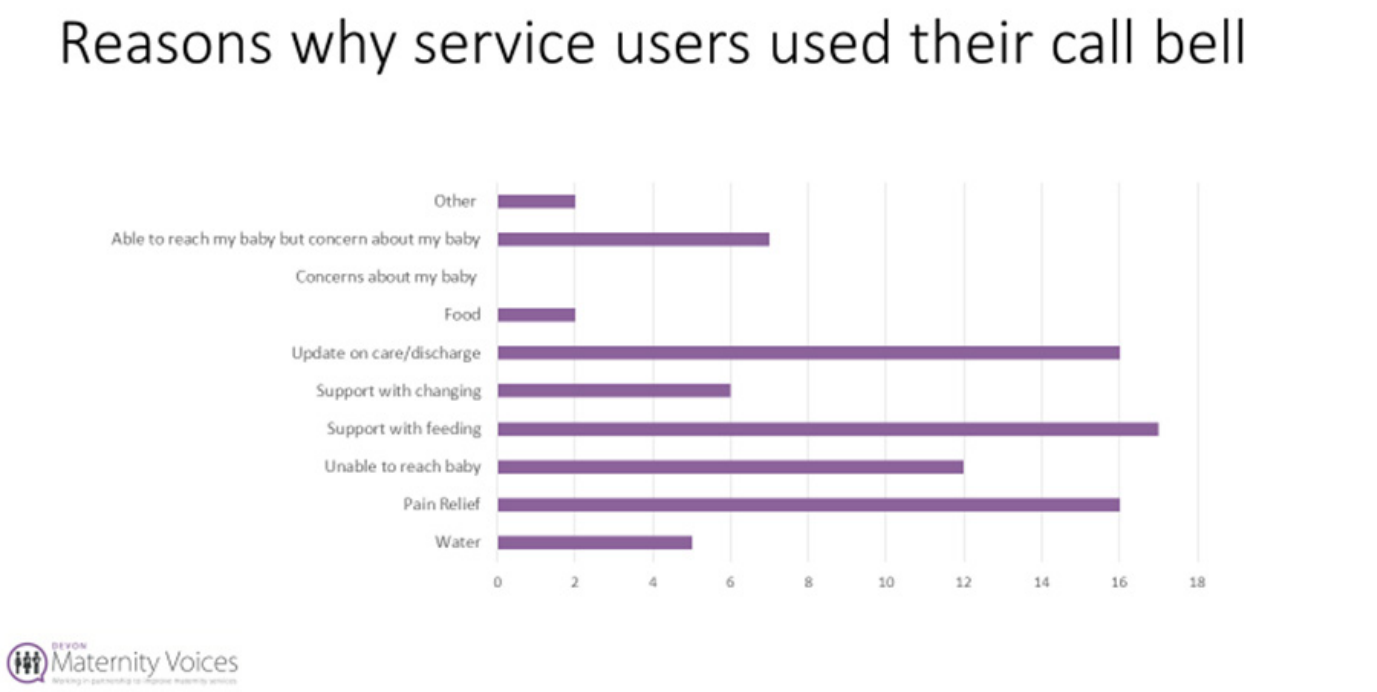
Service improvement: maternity overbed cots, Eastern services

The challenge

The Maternity and Neonatal Voices Partnership (MNVP) is a group made up of maternity service users, who work together to ensure that maternity services are designed to meet the needs of local communities. MNVPs provide a platform for service users to share their experiences, views and feedback on maternity care, ultimately aiming to improve the quality of care provided.

These partnerships often collaborate with healthcare providers to advocate for changes in maternity services based on the insights and input of those that use them. During 2023/24 our service user 'voices' group conducted a Devon-wide survey on the call bell alerting system in the postnatal ward. The survey found that a high proportion of service users were using their call bells to receive help to reach their baby from cots. This mostly related to women who had experienced a caesarean section or were have difficulty moving after an epidural or spinal anesthesia.

It was recognised that not being able to readily comfort their baby, often when they are crying, would be distressing for a new mother. This could also impede initiation of breastfeeding and early bonding.



The solution

The Eastern team were aware of overbed cots being used by Northern services and other maternity units and subsequently purchased three for use within Eastern services.

Overbed cots enable the baby to be within arm's reach of the mother without having to use the call bell for help. This makes it easier for mothers to breastfeed and tend to their newborns without having to get out of bed, supporting maternal-infant bonding and promoting a sense of independence and autonomy in caring for their baby.

Overbed cots can also help to alleviate any anxieties of being unable to reach the baby if the call bell is not within reach or if the staff member is not able to respond immediately. The new cots are now in use for mothers that have delivered via caesarean section or have limited mobility. Feedback received from services users has been positive and the plan is to introduce more overbed cots as older cots are replaced.

"Amazing idea. Even when I did press my call bell post C-section there was no way I was waiting as long as it took the staff to come to be able to pick up my crying baby"

"Amazing idea. When I had my son I had to press the bell as I couldn't get to him as I couldn't feel my legs. I felt useless and was so embarrassed"

Service improvement: phone lines Sexual Health Service, Exeter

The challenge

I was concerned and needed a check up - the phone line was frustrating, as it said to call the same number I was already calling, and wouldn't let me book an appointment over the phone or connect me with a member of staff. However, when I went in, staff on reception said they were changing systems, which is understandable.

That said, the level of speed, care and efficiency I received from all of the staff could not have been better once I was there. I felt so looked after, and competently cared for. Besides swiftly receiving the tests I wanted, I was told about extra levels of care available - and was quickly then given them. I felt absolutely honoured and blessed to live in a country where I could access care of that quality for free - it was genuinely amazing. I woke up this morning feeling quite anxious, and have gone to bed feeling fully reassured, and extra safe.

I am not exaggerating in any way here at all. The staff at the Exeter clinic, and the care i received could not have been better, hence why I am taking the time to write this review - very well deserved.

My sincere thanks to the Exeter clinic - you are a model for all to follow, epitomising professionalism. Please know that your hard work really is valued by people, well it certainly was by myself today.

The above feedback was posted on the Care Opinion website.

We were able to use the story to improve our services and respond to the patient to update them on how their feedback had facilitated a change.

Our response

Response from April Brooks, Lead Nurse - Sexual Health, Devon Sexual Health, Royal Devon University Healthcare NHS Foundation Trust 3 months ago

We are preparing to make a change

Hi robinpr53,

Thank you so much for taking the time to provide this feedback about your experience at the clinic. We are aware there are issues with the telephone lines, often due to the high volume of calls experienced in the Exeter clinic. We are trying to change how the phone system is managed as we do appreciate it is frustrating and annoying not being able to get through. I apologise for the difficulties you had on this occasion.

Despite the above, I am really grateful that once you got through the door, you had a very positive experience in clinic, and were well looked after by the team. Indeed, we are very lucky to be able to offer a high degree of care, including preventative measures to keep people healthy and safe in future - some examples include offering vaccines, PrEP, free condoms and on-going contraception, where indicated. We always aim to provide this is a friendly, informative and non-judgemental way,

Sometimes working in the NHS is challenging, but seeing feedback like yours is a perfect reminder why we do what we do, and why we love helping our patients. So thank you for making my day - I will be passing this on to the team too!

Best wishes,

April Brooks

Our solution

Response from April Brooks, Lead Nurse - Sexual Health, Devon Sexual Health, Royal Devon University Healthcare NHS Foundation Trust last month

We have made a change

HI robinpr53,

I just wanted to let you know that since you left feedback 2 months ago, we have made changes to our phone system in Exeter and also launched an online booking system: https://www.devonsexualhealth.nhs.uk/our-clinics/myphr/

We have noticed that there is now less pressure on our phone lines, which means for people who do not want to book online, or for patients who wish to talk to a member of our reception team, it is easier to get through. The online booking system has been very popular, and if you need our service again in the future, I'd recommend seeing if it works for you?

We are always keen to hear what patients think about their experience in clinic, and I wanted you to know that your feedback was taken on board and we have hopefully improved things.

Best wishes,

April

1 person thinks this response is helpful

Stakeholder relations

The Trust's strategy – Better Together – sets out four strategic objectives to guide its work over the coming years. The 'collaboration and partnerships' objective underlines the importance the Trust places on working in partnership to improve the health and wellbeing of the population it serves.

The strategy recognises that the Trust can only achieve this overall mission by building alliances and working in collaboration with others – from people, patients and communities through to local, regional and national institutions.

The Trust works with a wide range of partners from the statutory and voluntary sectors:

- We support the development of two large partnership forums – One Northern Devon and One Eastern Devon – where statutory bodies, VCSE and local business leaders share priorities and agree work in partnership
- The Trust is a key partner in the Devon Integrated Care System (ICS) both through its engagement with the Integrated Care Partnership, ongoing collaborative work with the Integrated Care Board and the development of the acute provider collaborative.
- We participate in all and lead some of the ICS programmes including acute sustainability, get it right first time (GIRFT), mental health and learning disability collaborative and Devon's elective recovery working alongside partners to improve our pathways and care outcomes
- We work in close partnership with many voluntary, community and social enterprises (VCSE) to work on projects to improve care and offer more integrated care
- We have positive relations with our local MPs and councillors in local government, frequently attending full council meetings and health and social care oversight and scrutiny forums to ensure councillors have opportunities to comment on plans
- We have and continue to develop positive relationships with primary care colleagues
- We work closely with the University of Exeter, particularly on the Joint Research Office (JRO), a leading centre for high quality research, development and innovation in the South West peninsula and as part of the Exeter Civic University Agreement.

We have talked in more detail about many of these on pages xx – xx of this annual report.

The Integrated Care System Devon, in line with the vision set out in the NHS Long Term Plan, provides a key vehicle for developing the networks and relationships necessary to drive improvements in health and social care in Devon, address the wider determinants of health, and focus our resources in the areas where they are most needed.

The Integrated Care System for Devon

NHS Devon (the Integrated Care Board) published its first Joint Forward Plan (JFP) in June 2023 with a re-fresh published in April 2024. The plan, written in collaboration with the five local care partnerships and three health and wellbeing boards in the county sets out how the health and care sector plans to meet the challenges facing Devon, meet the population's health needs and the strategic objectives set out in the Integrated Care Strategy. The refreshed plan is structured around three themes/priorities:

- Healthy people
- Healthy, safe communities
- Healthy, sustainable system

NHS Devon is currently in level 4 of the National Oversight Framework (NOF4) due to finance and performance issues, which brings with it enhanced direct oversight by NHS England and additional reporting requirements and financial controls. The JFP therefore reflects the need to focus on system recovery and exiting NOF4 as priority.

The areas for improvement for Devon in 2023/24 were:

- Financial performance including the long-term deficit
- Joint ownership and delivery of a strategy that secures sustainable clinical services and improved performance
- Whole-system approach and collaboration across Devon

Partners across the county continue to work together in many areas, including the Peninsula Acute Sustainability Programme (PASP). PASP sees clinicians and staff from across Devon, Cornwall and Isles of Scilly working together to ensure the clinical, workforce and financial sustainability of acute services.

A series of workshops have been under way since December 2022 to review and redesign acute services, initially beginning with paediatric assessment, medical assessment and surgical assessment.

Disclosures

Income disclosures required by Section 43 (2a) of the NHS Act 2006

The Trust has complied with Section 43 (2a) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012). The Trust's income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Income generated from the provision of goods and services for any other purposes is used by the Trust to provide healthcare services.

Remuneration report

Annual statement on remuneration

The membership of the remuneration committee (RC) consists of the chair and all the non-executive directors for the Royal Devon. The chief executive officer and, as necessary, other executive directors are invited to attend the RC in an advisory role but are excluded on issues directly relevant to them by the chair of the committee. The committee is supported by the chief people officer and their senior team as required.

Mr Tony Neal, Senior Independent Director, took over as Chair of the Royal Devon Remuneration Committee from 1 April 2023 and held this position for the duration of 2023/24, with Mr Stephen Kirby continuing to hold the position of Deputy Chair for this period.

There has been one change to the membership of the RC during 2023/24 as follows:

- Professor Tim McIntyre-Bhatty joined the Board of Directors on the 1 November 2023.

The committee's main purpose is to set rates of remuneration and terms and conditions of service for the chief executive officer, executive directors, and very senior managers (VSMs), who are remunerated on benchmarked salaries outside of nationally agreed pay scales. This encompasses those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust.

Formal adoption of Royal Devon Remuneration Committee Terms of Reference and remuneration principles took place in April 2022, with a light touch review of the remuneration principles having taken place in April 2024. The next scheduled review of both elements is due in April 2025. The annual workplan for 2024/25 was signed off at the January 2024 RC.

Non-executive director and chair remuneration is dealt with by the non-executive director remuneration committee (NEDRC, see page XXX).

In-year remuneration decisions

Cost of living uplift

On 13 July 2023, the government released a statement from Steve Barclay, Secretary of State for Health and Social Care, accepting the Senior Salary Review Body (SSRB) pay recommendations for 2023/24 in full. This pay award consisted of an increase of 5% for all VSMs, backdated to the 1 April 2023, with a further 0.5% of the VSM pay bill available to ameliorate the erosion of differentials and to facilitate the introduction of the new VSM pay framework (which at the time of writing is still awaited).

It should be noted that the 45th annual report on senior salaries reiterates that remuneration of leadership roles should reflect the step-change in challenge, complexity, and accountability on promotion. There is a risk that the significant erosion in pay differential between Agenda for Change (AfC) and VSM in recent years will mean that achieving this will be a challenge.

The remuneration committee agreed to implement the recommended 5% cost of living uplift for all VSMs with a pay scale exceeding the top of AfC band 9 (based on 2022/23 pay scales), backdated to the 1 April 2023.

As previously agreed by the committee, any staff remunerated at or below the top of AfC band nine, should have the higher of the two recommendations relating to the AfC or VSM cost of living increase applied, to ensure they are not disadvantaged. As a result, one individual received an uplift in line with the equivalent AfC band, equating to 5% plus a non-consolidated award.

The remuneration committee agreed that the 0.5% available to ameliorate the erosion of differentials would not be awarded at this time but would be used as part of the annual benchmarking exercise later in the year.

Annual benchmarking

Since January 2021, the remuneration committee has utilised a robust benchmarking methodology making use of national benchmarking information from NHS England and NHS Providers, with a view that this information would be updated annually.

Unfortunately, NHS England has not released new benchmarking information since 2019, meaning that benchmarking data has become increasingly out of date. In previous years, the Trust has manually added nationally-agreed cost of living increases to this data to provide a more up to date benchmark. However, as many years have now elapsed, there is concern that this approach may not accurately reflect current salary levels.

NHS Providers data has continued to be released annually; however, as a lone source of data, has been treated with some caution. In this data set, the large

category represents organisations with significantly ranging sizes from 8,000 FTE all the way up to the very largest Trust with over 26,000 FTE and the committee was concerned that benchmarking on the whole category may not provide the most accurate basis for salary benchmarking, with the smaller and very large hospitals potentially skewing any averages. A cut of this data set has since been obtained, showing only trusts of a similar size and could be used as an alternative dataset in the future.

A new VSM pay framework has been developed nationally and the expectation was that this would be published ready to be implemented during 2023/24, thus mitigating the above concerns and enabling the Trust to update its benchmarking methodology accordingly. Unfortunately, the VSM pay framework has not been published as expected, meaning that an interim solution for 2023/24 has been required.

In November 2023, the committee received a paper outlining this context and potential options in terms of benchmarking VSM salaries in 2023/24. The committee agreed to a light touch review of salaries against the 2022/23 benchmark that was used the previous year. It is important to note that this benchmark included adjustments based on the national gender gap data to account for any national bias. This option was agreed upon to ensure that any risk in relation to over inflation of salaries would be minimised, while still identifying any significant outliers who remained below 95% of benchmark. This exercise resulted in a small increase to one VSM salary, with no increases awarded to executive directors.

In total less than a third of the 0.5% of the VSM pay bill was utilised. This included the non-consolidated payment for the individual whose salary was within the range of AfC.

Whilst an extremely limited number of VSM salary uplifts were made during 2023/24, it is planned that a full benchmarking exercise will be carried out in 2024/25, regardless of whether the VSM framework is released. Multiple years without benchmarking will likely lead to a greater number of colleagues being impacted, diminishing individual salaries relative to industry benchmarks, and resulting in a widening disparity.

Benchmarking is therefore planned by October 2024 using the VSM framework. Should the framework not be available in time, it is planned that an alternative interim framework be designed and implemented. The purpose of this process is to ensure salaries are broadly in line with salaries of similar roles in other Trusts and mitigate any anomalies; therefore, benchmarking does not guarantee an increase and any recommendations will be considered by the remuneration committee in the context of other pay changes, financial and performance information available at that time.

All decisions were made in accordance with the remuneration principles as set out below. As in any year, remuneration committee will consider any benchmarking data alongside a range of other factors, including affordability and equity, with uplifts for all other staff groups.

Other remuneration matters

Other work of the committee during 2023/24 has included:

- Review and ongoing oversight of the pension recycling scheme, including monitoring of uptake and benefits realisation.
- Review of the risks relating to pension recycling, as a result of changes to pension taxation that were announced in the spring 2023 budget and approval of next steps.
- Review and approval of salary recommendations for the substantive appointment to two VSM posts as well as an acting up allowance for a further VSM post. None of these appointments were board members.
- Oversight of the final stages of implementation of the new VSM contract.
- Review and approval of proposals in relation to several restructures in corporate services, which impacted on senior portfolios.
- Review of the specific contractual arrangements for two executive directors, including the review and correction of an error relating to a non-pensionable element of remuneration for one executive director.
- Approval of salary for the interim chief executive officer and acknowledgement of a positive opinion without comment from the Minister of State for Health and Secondary Care, Will Quince.
- Approval of the agreed salary for the new substantive Chief Executive Officer and acknowledgement of a positive opinion without comment from the Minister of State for Health and Secondary Care, Andrew Stephenson. The committee accepted the resignation and agreed the subsequent contract termination agreement for the outgoing chief executive officer.

- Reviewed the redundancy business case and approved the redundancy of one VSM post, without executive director responsibilities. The post holder was seconded to the Devon Integrated Care Board (ICB) and assurance was provided that there were no suitable alternative positions in the ICB or the Royal Devon. Costs for this redundancy were shared between the Trust and Devon ICB. This redundancy was approved by the NHS regional team in line with requirements, and with confirmation that payments were in line with Agenda for Change redundancy policy and contractual terms.
- Review of risk and continuity planning for the senior leadership team.
- Review of work base principles for executive director expenses claims.
- Approval of minor updates to the Governor expenses policy.

NED attendance at remuneration committee meetings in 2023/24

	12 April 2023	27 July 2023	30 August 2t023*	25 October 2023*	23 November 2023	10 January 2024
S Morgan	P	P	P	P	P	P
T Neal	A	P	P	P	P	P
S Kirby	P	P	A	A	P	P
C Burgoyne	P	A	A	A	A	P
B Kent	P	P	P	P	A	P
M Marshall	P	P	A	P	P	P
A Matthews	P	P	P	P	P	P
T McIntyre-Bhatty					A	A

*Note that the meetings held on the 30 August 2023 and 25 October 2023 were extraordinary meetings. **P – Present / A – Apologies**

Joiners:

- Tim McIntyre-Bhatty joined November 2023

Senior managers remuneration procedure

The below sets out the remuneration principles that underwent a light touch review and were approved by the Remuneration Committee in April 2024. These principles along with the process for benchmarking are due for review in April 2025; however, if the national VSM remuneration framework is released sooner, they will be revised earlier than planned to reflect these changes.

Remuneration principles and application

Key principles

1. The committee understands that its approach must strike an appropriate balance with its duty to ensure the effective stewardship of public resources. The committee understands that senior level positions in the Trust operate in a regional/ national context and that remuneration for these positions is primarily determined by the market. In order to remain competitive and attract and retain high calibre staff, the salaries of senior staff must be regularly reviewed to ensure that they remain broadly competitive and that the salaries offered to post holders do not degrade over time so that they are out of line with comparable Trusts. Nevertheless, the committee will avoid paying more than is necessary to recruit, retain and motivate high calibre Executive Directors and Very Senior Managers[6] and will take positions that are publicly defensible.
2. The committee's approach to remuneration will seek to position the Trust in a way that it is able to attract, retain and motivate executive directors and very senior managers of sufficient calibre to maintain high quality, patient-centred healthcare, and effective management of the Trust's resources.
3. In reaching its determinations, the committee will take proper account of National Agreements, for example Agenda for Change, and guidance issued by the Government, the Department of Health and the NHS market rates for comparable roles in comparable organisations.

6 Very Senior Managers = anyone remunerated on a salary that is the equivalent to Agenda for Change band 8D and above who is not on Agenda for Change or on a consultant pay grade.

4. The committee will treat all people with equality and fairness when determining remuneration. It will seek to gain assurance that remuneration decisions do not exacerbate systemic pay issues and where possible will contribute to reducing these.

5. The committee will be rigorous in ensuring that potential conflicts of interest are recognised and avoided. Executive directors and very senior managers will not be involved in deciding their own remuneration package.

6. On an annual basis, the committee will consider the remuneration packages of all executive directors and very senior managers bearing in mind the performance of the executive directors and very senior managers in fulfilling their duties and in regard to the overall performance of the Trust. The objectives set for the executive directors at appraisal and the progress against these will be shared with the committee.

7. The committee will consider external benchmark comparison data on the pay and conditions of executive directors and very senior managers in comparator Trusts and other external organisations annually. This work will be undertaken on behalf of the committee by the chief people officer. The process followed for benchmarking can be found at Appendix 2. The committee will make judgements on where it wants to position its relative remuneration package for executive directors and very senior managers.

8. The committee will seek to apply the principles fairly and transparently and on the basis of data and advice from competent external bodies/ consultants or a senior HR advisor, as necessary. The committee understands that it will use the data it gathers, and the framework set out in the principles to exercise the necessary judgment on pay and reward issues. The committee will ensure that remuneration reflects the extent of the role and responsibilities of individual posts and their contribution to the organisation and will be based on judgements relating to:

    - Market rates for comparable roles in comparable organisations
    - The size and scope of the role in question
    - Advice from the chair of the Trust in relation to the chief executive officer
    - Information from the chief executive officer in relation to the executive directors and very senior managers
    - Affordability
    - Other NHS pay settlements
    - Wider implications that may arise from setting the remuneration packages of executive directors and very senior managers in relation to pay levels determined through national agreements within the NHS
    - Performance against set objectives
    - Any other factors deemed appropriate

The committee will seek assurance that any pay differentials and / or variation from benchmarks are for justifiable reasons for example performance or experience. It will seek to ensure that the reasons for any variations are transparently communicated with individuals.

9. The committee will seek to achieve broadly standardised terms and conditions, as set out in the very senior manager contract of employment, for all posts which fall within the scope of the principles.

10. The committee will be transparent in the application of its remuneration principles. It is a requirement that details of the remuneration package for Board level directors are recorded in the Trust's annual report.

11. The Trusts recognises that the committee has the authorised responsibility to apply its independent judgement on matters within its remit within the wording and the spirit of the agreed principles. However, there may be times when a different approach is required which steps outside the scope of the principles and in these cases, particular care must be taken, and clear justification must be given and recorded. Some circumstances which may require flexibility include temporary promotions; atypical employment conditions; specific issues related to individuals etc.

12. The committee will reserve the right to recruit an executive directors and very senior managers on a salary below the market value in cases where a development plan would enable the employee to reach the minimum standards to undertake the role at a satisfactory level. The committee also reserves the right to pay additional payments to executive directors and very senior managers when deemed necessary because of exceptional circumstances. The occasions when additional payments are required will be limited. When considering using additional payments, the committee will need to be able to fully justify and explain why it has opted to

take this course of action. It would only normally consider such action on the basis of a clear business case. Special care must be taken to ensure that the use of additional payments is completely transparent, and that consideration has been given to the impact on pay inflation among executive directors and very senior managers as well as to guard against accusations of bias or arbitrary practice.

13. The committee will, on an annual basis, (in line with the committee's work plan) ensure effective succession planning is in place for the executive directors and receive assurance from the chief executive officer that effective succession planning is in place for very senior managers.

Scope

1. The principles will apply to the pay, awards, and terms of employment of the Trust's chief executive officer, executive directors and very senior managers and include the following components:
    - the core salary
    - any supplementary payments over and above the core salary in recognition of extraordinary factors such as matching market forces in recruitment; exceptional performance etc
    - additional non-pay benefits over and above the core salary including pensions, vehicle/lease car issues, mobile phones and other such benefits
    - the terms and conditions in regards to issues (such as notice periods, conditions attached at recruitment stage for professional development for example) etc
    - arrangements for termination of employment and other contractual terms.
2. The committee will also consider whether any issues have emerged which require consideration of any adjustments to existing remuneration packages such as:
    - at the beginning of a process to recruit a replacement executive directors and very senior managers.
    - when issues concerning national inflationary uplifts within the NHS need to be considered – on an annual basis.
    - when changes are made to the size and scope of executive directors and very senior managers portfolios.

Process for benchmarking chief executive officer, executive director and VSM salaries

Each year national benchmarking data is provided by NHS Providers. This data is obtained via national salary survey submissions relating to the remuneration paid to executive and non-executive directors of all trusts and foundation trusts operating in the UK. Typically, between 140 and 150 Trusts complete the return and data is collated into the annual dashboards. The committee will use this source of benchmark data to inform the discussion to decide remuneration for all executive directors and very senior managers positions.

Consideration will be given to Agenda for Change pay parameters and growth in the upper bands in order to ensure there is oversight of any erosion of pay differentials over time.

It is recognised that for some non-clinical executive directors and very senior managers posts, the Trusts may wish to attract talent from non-NHS backgrounds. In order to ensure that the Trusts remain competitive and can attract non-NHS talent, executive directors and very senior managers salaries may be benchmarked against private and other non-NHS public sector organisations where high-quality comparator information is not available or where the regular benchmarking method produces unexpected results. In these cases, data sources to inform this benchmarking exercise will include national job boards, executive search salary data and other data sources that will be agreed with remuneration committee at the time of undertaking the benchmarking.

The chief people officer will also provide analysis of the benchmarking data, history of individuals' pay awards where appropriate, and any other data regarding current or planned NHS pay awards to inform the committee.

Where NHS Providers data is used, the following principles will apply:

- Include both NHS trusts and foundation trusts
- Exclude London
- Exclude non-acute trusts
- Benchmark based on 'peer average total remuneration'

Where national data sets based on the salaries of executive directors are used, deductions will be applied to account for other VSM roles not being a part of the Board as follows:

Role Type	Other Factors
Executive director (Voting member of the Board)	No deductions
Director of governance	-10% to reflect that the post is not a voting member of the Board
Trustwide directors (e.g. Director of Strategy)	-15% to reflect the post is not Board level
Site and Trust directors (e.g. director of nursing, Eastern services)	-20% to reflect the post is not Board level

Process for reviewing chief executive officer, executive director and VSM cost of living increases

Ordinarily, it is expected that national recommendations for VSM cost of living uplifts will be released on an annual basis and that these will form the basis of any uplifts applied, with the committee taking the final decision on any awards.

Any colleagues who are remunerated at or below the top of Agenda for Change band 9, based on the pay scales prior to any cost-of-living uplift being applied, should have the higher of the two recommendations relating to the AfC or VSM cost of living increase applied, to ensure they are not disadvantaged by being on a VSM contract.

Other information

The chief executive officer completes a formal annual performance review for all executive directors and the chair reviews the performance of the chief executive officer. These reviews, including the objectives and performance summaries are reported to remuneration committee and, whilst the Trust does not currently operate a performance related pay scheme, these reviews are considered as a part of the review of remuneration.

The Trust follows Agenda for Change (AfC) principles in calculating severance packages for redundancy. The redundancy payment will take the form of a lump sum, dependent on the employee's reckonable service at the date of termination of employment. The lump sum will be calculated on the basis of one month's pay for each complete year of reckonable service, subject to a minimum of two years' continuous service and a maximum of 24 years' reckonable service being counted. Fractions of a year of reckonable service will not be considered. For those earning over £80,000 per year (full time equivalent) the redundancy payment will be calculated using notional full-time annual earnings of £80,000, pro-rated for employees working less than full time. No redundancy payment will exceed £160,000 (pro-rata).

In accordance with the Agenda for Change Terms and Conditions of Employment, executive directors shall not be entitled to redundancy payments or early retirement on grounds of redundancy if:

- they are dismissed for reasons of misconduct, with or without notice; or
- at the date of the termination of the contract have obtained without a break, or with a break not exceeding four weeks, suitable alternative employment with the same or another NHS employer; or
- unreasonably refuse to accept or apply for suitable alternative employment with the same or another NHS employer; or
- leave their employment before expiry of notice, except if they are being released early; or
- they are offered a renewal of contract (with the substitution of the new employer for the previous NHS one); or
- where their employment is transferred to another public service employer who is not an NHS employer.

Future remuneration policy table

Element of pay (Component)	How component supports short and long-term strategic objective/goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	Provides a stable basis for recruitment and retention, considering the Trust's position in the labour market and a need for a consistent approach to leadership. Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust's strategic objectives outlined its strategy, notably to be 'a great place to work.'	Market testing is undertaken for Very Senior Manager (VSM) posts each year, to identify salaries paid for similar roles using a robust benchmarking methodology. Individuals are remunerated on benchmarked salaries on a case-by-case basis. There is no predefined upper limit; however, salaries are agreed based upon robust data from comparator organisations and the Remuneration Committee carefully considers each decision to avoid over inflation of pay. In accordance with the NHSI guidance on pay for VSMs in NHS Trusts and Foundation Trusts, the Executive Directors contracts include a clause permitting 10% of salary to be clawed back if performance is not satisfactory.	Annual benchmarking considers individual performance based on agreed objectives set out prior to the start of that financial year which runs between 1st April and 31st March. Cost of living increases are applied separately and are ordinarily based on an award agreed by central government, following recommendations being made by the NHS Pay Review Body.
Benefits	Provides a solid basis for recruitment and retention of top leaders in sector.	Employee benefits on offer are the same for all of our staff regardless of pay. These currently include salary sacrifice schemes including the cycle to work scheme, lease cars, home electronics and gym membership.	These employee benefits are available to all staff including VSMs, providing the terms and conditions of salary sacrifice are met.
Pension	Provides a solid basis for recruitment and retention of top leaders in sector.	Contributions within the relevant NHS pension scheme. Details of the schemes currently in place can be found at: https://www.nhsbsa.nhs.uk/nhs-pensions Employees also have alternative options, including the Nest workplace pension (https://www.nestpensions.org.uk) and if impacted by pension taxation, employees can apply for pension recycling payments.	Contribution rates are set by the pension scheme. Where pension recycling is utilised, this is calculated based on the employer contributions that would have been made if the individual were in the pension recycling scheme, less and admin fee, to ensure this is cost neutral to the Trust.
Bonus	N/A	N/A	N/A
Fees	N/A	N/A	N/A

Service contracts

Name	Title	Date of Service Contract	Unexpired Term	Notice Period
S Morgan	Chair	1 April 2022	31 March 2025	6-months
C Burgoyne	Non-Executive Director	28 June 2021	31 December 2024	3-months
B Kent	Non-Executive Director	28 June 2021	27 June 2027	3-months
S Kirby	Non-Executive Director	1 September 2017	31 August 2024	3-months
M Marshall	Non-Executive Director	28 November 2022	27 November 2025	3-months
A Matthews	Non-Executive Director	1 October 2018	30 September 2025	3-months
T Neal	Non-Executive Director	1 April 2022	31 March 2025	3-months
T McIntyre-Bhatty	Non-Executive Director	1 November 2023	31 October 2026	3-months
S Higginson[1]	Chief Executive Officer	22 January 2024	N/A	6-months
H Foster	Director of People	5 August 2019	N/A	6-months
A Harris	Executive Medical Director	1 December 2014	N/A	6-months
A Hibbard	Chief Financial Officer	1 January 2021	N/A	6-months
C Mills	Chief Nursing Officer	18 January 2021	N/A	6-months
J Palmer	Chief Operating Officer	12 April 2021	N/A	6-months
C Tidman	Deputy Chief Executive Officer	30 September 2019	N/A	6-months
S Tracey[2]	Chief Executive Officer	1 July 2016	N/A	6-months
P Roberts[3]	Interim Chief Executive Officer	20 September 2023	N/A	3-months

1. Sam Higginson was appointed as Chief Executive Officer and commenced in post on 22 January 2024.
2. Suzanne Tracey resigned from the post of Chief Executive Officer on 11 July 2023 and left the Trust on the 12 January 2024.
3. Paul Roberts was appointed on a fixed term contract to the post of Interim Chief Executive Officer and commenced in post on 20 September 2023 with the contract ending on 21 January 2024 due to the substantive postholder starting in post.

As standard, executive directors and the chair are appointed with a six-month notice period.

As standard, non-executive directors are appointed with a three-month notice period.

Directors remuneration 2023/24

Name and Title		Salary (bands of £5000)	Expense Payments (Taxable) (Rounded to the nearest £100)	Performance pay and bonuses (Bands of £5,000)	Long term performance pay and bonuses (Bands of £5,000)	All Pension Related Benefits (Bands of 2,500)	Total
		£000	£	£000	£000	£000	£000
S Morgan	Chair	60 - 65	400	-	-	-	60 - 65
C Burgoyne	Non-Executive Director	10 - 15	100	-	-	-	10 - 15
B Kent	Non-Executive Director	10 - 15	-	-	-	-	10 - 15
S Kirby	Non-Executive Director	15 - 20	100	-	-	-	15 - 20
M Marshall	Non-Executive Director	10 - 15	-	-	-	-	10 - 15
AS Matthews	Non-Executive Director	15 - 20	500	-	-	-	15 - 20
T McIntyre-Bhatty	Non-Executive Director (appointed 1 November 2023)	5 - 10	100	-	-	-	5 - 10
T Neal	Non-Executive Director	15 - 20	200	-	-	-	15- 20
H Foster	Chief People Officer	160 - 165	-	-	-	17.5 - 20.0	180 - 185
A Harris*	Chief Medical Officer	230 - 235	-	-	-	467.5 - 470.0	695 - 700
A Hibbard	Chief Financial Officer	180 - 185	400	-	-	10.0 - 12.5	190 - 195
S Higginson	Chief Executive Officer (appointed 22 January 2024)	50 - 55	-	-	-	0.0 - 2.5	50 - 55
C Mills	Chief Nursing Officer	170 - 175	-	-	-	20.0 - 22.5	190 - 195
J Palmer	Chief Operating Officer	175 - 180	300	-	-	42.5 - 45.0	220 - 225
P Roberts	Interim Chief Executive Officer (appointed 20 September 2023, resigned 21 January 2024)	80 - 85	200	-	-	10.0 - 12.5	90 - 95
C Tidman**	Deputy Chief Executive Officer	205 - 210	-	-	-	15.0 - 17.5	220 - 225
S Tracey***	Chief Executive Officer (resigned 11 July 2023)	355 - 360	-	-	-	25.0 - 27.5	380 - 385

There were no annual performance-related bonuses or long-term performance-related bonuses paid to any individual in the financial year.

Note that the directors' report includes those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS foundation trust, namely executive directors and non-executive directors. The Trust employs certain other roles on very senior manager pay scales; however, these individuals are not included within the above table as they do not meet the annual report manual definition of senior manager.

* The pensionable remuneration for A Harris has increased, leading to pensions growth across 2023/24. This was due to the correction of an error relating to a non-pensionable element of remuneration. The increase in pension reflects the in-year correction; however, does not include the correction of the historical element, which will be reflected in the next annual report due to the timing of technical advice received from the NHS Pensions Authority.

** C Tidman received an additional responsibility allowance during a period where the postholder was required to act as the Accountable Officer (AO) and undertake several activities that would normally be the responsibility of the CEO and were beyond what would ordinarily be expected from a Deputy Chief Executive.

*** S Tracey resigned as Chief Executive Officer on 11 July 2023 and continued to work for the Trust on strategic pieces of work. Her employment with the Trust ended on 12 January 2024. The total remuneration for S Tracey includes contractual pay in lieu of notice and payment for accrued, untaken annual leave.

Directors remuneration 2022/23

Name and Title		Salary (bands of £5000)	Expense Payments (Taxable) (Rounded to the nearest £100)	Performance pay and bonuses (Bands of £5,000)	Long term performance pay and bonuses (Bands of £5,000)	All Pension Related Benefits (Bands of 2,500)	Total
		£000	£	£000	£000	£000	£000
S Morgan	Chair (appointed 1 April 2022)	65 - 70	-	-	-	-	65 - 70
C Burgoyne	Non-Executive Director	10 - 15	-	-	-	-	10 - 15
JM Kay	Non-Executive Director (left the Board 31 March 2023)	10 - 15	-	-	-	-	10 - 15
B Kent	Non-Executive Director	10 - 15	-	-	-	-	10 - 15
S Kirby	Non-Executive Director	15 - 20	-	-	-	-	15 - 20
M Marshall	Non-Executive Director	0 - 5	-	-	-	-	0 - 5
AS Matthews	Non-Executive Director	15 - 20	-	-	-	-	15 - 20
T Neal	Non-Executive Director (appointed 1 April 2022)	15 - 20	-	-	-	-	15 - 20
K Orford	Non-Executive Director (resigned 30 June 2022)	0 - 5	-	-	-	-	0 - 5
H Foster	Chief People Officer	155 - 160	-	-	-	7.5 - 10.0	160 - 165
A Harris	Chief Medical Officer	215 - 220	-	-	-	7.5 - 10.0	225 - 230
A Hibbard	Chief Financial Officer	175 - 180	-	-	-	75.0 - 77.5	250 - 255
C Mills	Chief Nursing Officer	160 - 165	-	-	-	7.5 - 10.0	170 - 175
J Palmer	Chief Operating Officer	175 - 180	-	-	-	42.5 - 45.0	220 - 225
C Tidman	Deputy Chief Executive	180 - 185	-	-	-	7.5 - 10.0	190 - 195
S Tracey	Chief Executive	250 - 255	-	-	-	92.5 - 95.5	345 - 350

There were no annual performance-related bonuses or long-term performance-related bonuses paid to any individual in the financial year.

With effect from 1 April 2019, the PAYE settlement agreement for non-executive directors where the Trust paid Tax and NI on behalf of the non-executive has ceased. Therefore, there is no benefit in kind reportable.

Ratio between highest paid director and median remuneration received by employees of the Trust

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. In addition, the 25th and 75th percentile ratio is also now required to be reported.

The banded remuneration of the highest paid director in the organisation in the financial year 2023/24 was £250k - £255k (2022/23 was £250k - £255k). This was 7.1 times (2022/23, 7.1 times) the median remuneration of the workforce, which was £35.7k (2022/23 £35.7k).

In 2023/24 there were five employees with remuneration in excess of the highest paid director, the range of remuneration was £260k - £356k. In 2022/23, one employee received remuneration in excess of the highest-paid director, with remuneration of £377k.

	2023/24 £'000	2022/23 £'000
Band of highest paid Director – as above	250 – 255	250 – 255
25th percentile remuneration received by employees within the Trust	26.5	26.2
Median remuneration received by employees within the Trust	35.7	35.7
75th percentile remuneration received by employees within the Trust	46.8	46.5
25th percentile ratio	9.5	9.6
Median ratio	7.1	7.1
75th percentile ratio	5.4	5.4

Pension related benefits for defined benefit schemes

This is the aggregate input amounts, calculated using the method set out in section 229 of the Finance Act 2004. This figure will include those benefits accruing to senior managers from their membership of the 1995/2008 scheme and 2015 scheme. Any pension contributions made by the senior manager, or any transferred in amounts are excluded from this figure.

The amount to be included here is the annual increase (expressed in £2,500 bands) in pension entitlement. In summary: for the 1995/2008 scheme and 2015 scheme the increase is calculated using the following formula:

Increase = ((20 x PE) + LSE) – ((20 x PB) + LSB) – employee contributions

- PE is the annual rate of pension that would be payable to the director if they became entitled to it at the end of the financial year.
- PB is the annual rate of pension, adjusted for inflation, that would be payable to the director if they became entitled to it at the beginning of the financial year.
- LSE is the amount of lump sum that would be payable to the director if they became entitled to it at the end of the financial year.
- and LSB is the amount of lump sum, adjusted for inflation, that would be payable to the director if they became entitled to it at the beginning of the financial year.
- Employee contributions are the employee pension contributions for the financial year.

The Public Service Pension Scheme Remedy (McCloud) Pension disclosures for members affected by the public service pensions

On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022.

Part 1 of the remedy closed the 1995/2008 scheme on 31 March 2022, with active members becoming members of the 2015 scheme on 1 April 2022.

For part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 scheme moved back into the 1995/2008 scheme on 1 October 2023; this is called 'rollback'. Where a member who is a senior manager is affected by rollback, the benefits in respect of their pensionable service during the remedy period are valued as being in the 1995/2008 scheme. This means you may notice a difference between the benefits and Cash Equivalent Transfer Value (CETV) we quote for this year as compared to the benefits and CETV we quoted for year ending 2023.

Pension benefits 2023/24

Name and Title		Real increase in pension at age 60 (bands £2,500)	Real increase in pension related lump sum at age 60 (bands £2,500)	Total accrued pension at age 60 on 31 March 2023 (bands of £5,000)	Total accrued related lump sum at age 60 on 31 March 2023 (bands of £5,000)	Cash Equivalent Transfer Value on 31 March 2024	Cash Equivalent Transfer Value on 31 March 2023	Real Increase in Cash Equivalent Transfer Value on 31 March 2024
		£000	£000	£000	£000	£000	£000	£000
H Foster	Chief People Officer	-	-	-	-	-	-	-
A Harris	Chief Medical Officer	20.0 - 22.5	57.5 - 60.0	110 - 115	315 - 320	105	50	18
A Hibbard	Chief Financial Officer	0.0 – 2.5	30.0 – 32.5	35 - 40	95 - 100	821	602	147
S Higginson	Chief Executive (appointed 22 January 2024)	0.0 – 2.5	0.0 – 2.5	40 - 45	0 - 5	678	606	-
C Mills	Chief Nursing Officer	-	-	-	-	-	-	-
J Palmer	Chief Operating Officer	2.5 - 5.0	0.0 – 2.5	25 - 30	0 - 5	388	259	78
P Roberts	Interim Chief Executive (appointed 20 September 2023, resigned 21 January 2024)	-	-	-	-	-	-	-
C Tidman	Deputy Chief Executive	0.0 – 2.5	0.0 – 2.5	70 - 75	210 - 215	1,690	1,523	7
S Tracey	Chief Executive Officer (resigned 11 July 2023)	-	-	-	-	-	-	-

Supporting notes regarding the table above:

- As non-executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for non-executive members.

Pension benefits 2022/23

Name and Title		Real increase in pension at age 60 (bands £2,500)	Real increase in pension related lump sum at age 60 (bands £2,500)	Total accrued pension at age 60 on 31 March 2023 (bands of £5,000)	Total accrued related lump sum at age 60 on 31 March 2023 (bands of £5,000)	Cash Equivalent Transfer Value on 31 March 2023	Cash Equivalent Transfer Value on 31 March 2022	Real Increase in Cash Equivalent Transfer Value on 31 March 2023
		£000	£000	£000	£000	£000	£000	£000
H Foster	Chief People Officer	-	-	-	-	-	-	-
A Harris	Chief Medical Officer	-	-	80 - 85	235 - 240	50	1,954	-
A Hibbard	Chief Financial Officer	2.5 - 5.0	0.0 - 2.5	40 - 45	60 - 65	602	525	48
C Mills	Chief Nursing Officer	-	-	65 - 70	195 - 200	1,570	1,519	-
J Palmer	Chief Operating Officer	2.5 - 5.0	-	20 - 25	-	259	207	21
C Tidman	Deputy Chief Executive	-	-	-	-	-	-	-
S Tracey	Chief Executive	2.5 - 5.0	5.0 - 7.5	60 - 65	110 - 115	1,172	1,030	92

Supporting notes regarding the table above:

- As non-executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for non-executive members.
- The Remuneration Committee authorised the implementation of a pension recycling scheme, effective from November 2022 in response to a statement from the Health Secretary in September 2022 setting out an intention to mandate NHS trusts to offer (PCRS) Pension Contributions Recycling Scheme by 2023. The driver behind this was to remove barriers that currently prevent senior clinicians from taking on additional work / responsibility. In order to ensure an equitable approach this scheme was opened to any member of staff meeting the eligibility criteria in line with national guidance.
- Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/2024 CETV figures.

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

The Real increase in CETV 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.

Cash Equivalent Transfer Values (CETV) are not available for members that have reached the normal retirement age or who have commenced drawing their pension or are a deferred member.

Signed:

Sam Higginson
Chief Executive Officer
Date: 26 June 2024

Staff Report

The Trust would like to thank all colleagues, volunteers and governors who contribute so much every day to making the Royal Devon a great organisation and for always striving to do the right thing for our patients, people and communities. Over the following pages the Trust will share the annual staff report, including key metrics.

The following sections summarise the staff numbers, staff costs and exit packages.

Staff numbers

Staff numbers for 2022/23 and 2023/24 are summarised in the table below:

Average number of employees (WTE basis)	Total 2023/24 No.	Permanent 2023/24 No.	Other 2023/24 No.	Total 2022/23 No.	Permanent 2022/23 No.	Other 2022/23 No.
Medical and dental	1,481	1,331	150	1,370	1,341	29
Ambulance staff	15	15	0	13	13	
Administration and estates	2,923	2,811	112	2,936	2,792	144
Healthcare assistants and other support staff	2,970	2,837	133	3,106	2,735	371
Nursing, midwifery and health visiting staff	3,369	3,160	209	3,209	2,968	241
Nursing, midwifery and health visiting learners	20	20	0	15	15	
Scientific, therapeutic and technical staff	1,313	1,255	58	1,213	1,187	26
Healthcare science staff	290	273	17	274	274	
Social care staff	0	0	0	0		
Other	40	30	10	11	11	
Total average numbers	12,421	11,732	689	12,147	11,336	811
Of which:						
Number of employees (WTE) engaged on capital projects	30	22	8	12	12	

Staff costs

Staff costs for 2023/24 and 2022/23 are summarised in the table below:

Staff Costs	Total 2023/24 £000	Permanently employed 2023/24 £000	Other 2023/24 £000	Total 2022/23 £000	Permanently employed 2022/23 £000	Other 2022/23 £000
Salaries and wages	524,992	523,860	1,132	484,240	481,297	2,943
Social security costs	57,345	57,345	0	52,861	52,861	
Apprenticeship levy	2,682	2,682	0	2,461	2,461	
Pension cost - employer contributions to NHS pension scheme	62,823	62,823	0	57,347	57,347	
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	27,525	27,525	0	25,129	25,129	
Pension cost - other*	279	279	0	335	335	
Other post employment benefits	0	0	0	0		
Other employment benefits	0	0	0	0		
Termination benefits	67	67	0	67	67	
Temporary staff - external bank	18,170	0	18,170	15,933		15,933
Temporary staff - agency/contract staff	19,327	0	19,327	25,271		25,271
TOTAL GROSS STAFF COSTS	**713,210**	**674,581**	**38,629**	**663,644**	**619,497**	**44,147**
Recoveries from DHSC Group bodies in respect of staff cost netted off expenditure	0	0	0	0		
Recoveries from other bodies in respect of staff cost netted off expenditure	0	0	0	0		
TOTAL GROSS STAFF COSTS	**713,210**	**674,581**	**38,629**	**663,644**	**619,497**	**44,147**
Included within:						
Costs capitalised as part of assets	2,167	1,612	555	6,740	6,740	
Total employee benefits excl. capitalised costs	711,043	672,969	38,074	656,904	612,757	44,147

Average staff numbers and thus costs have increased in 2023/24 compared to 2022/23. This is as a result of a successful and targeted recruitment programme to fill our vacancies and subsequent sustained improvements in retention.

Exit packages

2023/24

Reporting of other compensation schemes - exit packages agreed in 2023/24	Number of compulsory redundancies 2023/24	Cost of compulsory redundancies 2023/24	Number of other departures agreed 2023/23	Cost of other departures agreed 2023/24	Total number of exit packages 2023/24	Total cost of exit packages 2023/24	Number of departures where special payments have been made 2023/24	Cost of special payment element included in exit packages 2023/24
	No.	£000	No.	£000	No.	£000	No.	£000
Exit package cost band (including any special payment element)								
<£10,000			41	162	**41**	**162**	0	0
£10,000 - £25,000			1	11	**1**	**11**	0	0
£25,001 - £50,000			3	80	**3**	**80**	0	0
£50,001 - £100,000	1	67	1	63	**2**	**130**	0	0
£100,001 - £150,000			1	132	**1**	**132**	0	0
£150,001 - £200,000	0	0	0	0	**0**	**0**	0	0
>£200,000	0	0	0	0	**0**	**0**	0	0
Total	**1**	**67**	**47**	**448**	48	515	**0**	**0**

Reporting of other compensation schemes - exit packages agreed in 2022/23	Number of compulsory redundancies 2022/23	Cost of compulsory redundancies 2022/23	Number of other departures agreed 2022/23	Cost of other departures agreed 2022/23	Total number of exit packages 2022/23	Total cost of exit packages 2022/23	Number of departures where special payments have been made 2022/23	Cost of special payment element included in exit packages 2022/23
	No.	£000	No.	£000	No.	£000	No.	£000
Exit package cost band (including any special payment element)								
<£10,000	0	0	17	63	**17**	**63**	0	0
£10,000 - £25,000	0	0	3	44	**3**	**44**	0	0
£25,001 - £50,000	2	67	0	0	**2**	**67**	0	0
£50,001 - £100,000	0	0	0	0	**0**	**0**	0	0
£100,001 - £150,000	0	0	0	0	**0**	**0**	0	0
£150,001 - £200,000	0	0	0	0	**0**	**0**	0	0
>£200,000	0	0	0	0	**0**	**0**	0	0
Total	**2**	**67**	**20**	**107**	**22**	**174**	**0**	**0**

Redundancy is based on one month's pay for each completed year of reckonable service (between two and 24 years).

PILON is based on the notice period held within the employees' contract of employment.

A settlement agreement will be made following an Employment Tribunal in conjunction with Trust Solicitors advice on amount to be paid.

Gender equality

The Trust is committed to achieving equality and diversity in all that we do, with gender equality an important factor for our people. The numbers of male and female employees as of 31 March 2024 is reported in the table below:

	Female	Male	Total
Directors*	6	9	15
Other senior managers**	8	6	14
Employees	10,396	2,960	13,356

*Directors include all of the members of the Board of Directors.

**Other senior managers reflect very senior managers that are not at board level.

Note that all figures above reflect the total number of employees (headcount) as opposed to the whole time equivalent reported in the staff number section above.

Much of the Trust's pay is aligned to national pay agreements and actions are in place seek to reduce the gender pay gap in areas within the control of the trust. More information on the gender pay gap can be found on page 163.

Sickness absence

A summary of sickness absence for 2023 is summarised in the table below:

Figures Converted by DH to Best Estimates of Required Data Items			Statistics Published by NHS Digital from ESR Data Warehouse	
Average FTE for 2023	Adjusted FTE days lost to Cabinet Office definitions	Average Sick Days per FTE	FTE-Days Available	FTE-Days recorded Sickness Absence
11,660	131,352	11.3	4,256,067	213,083

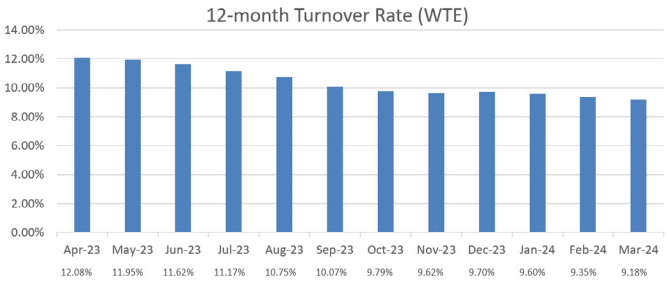
Source: NHS Digital - Sickness Absence and Workforce Publications - based on data from the ESR Data Warehouse. Period covered: January to December 2023

Data items: ESR does not hold details of normal number of days worked by each employee. Data on days available and days recorded sick are based on a 365-day year.

Average Annual Sick Days per FTE has been estimated by dividing the estimated number of ts sick by the average FTE and multiplying by 225 (the typical number of working days per year).

There may be inconsistencies between these data and the statutory basis for accounts, in terms of the organisation against which staff are reported for a particular month.

Trust turnover



Throughout 2023/24 the Trust has seen a sustained reduction in turnover, with levels consistently below the planned rate of 13.5%. This is in part due to a drive to recruit to vacancies that began in the previous financial year and partly driven by improved retention of staff as detailed in the 'Our People' report on page 46.

Staff policies and actions

Recruitment of disabled persons

The Equality Act 2010 defines disability and makes it clear that a person is disabled if they have a physical or mental impairment that has a substantial and long-term negative effect on their ability to do normal daily activities. The Trust already takes a variety of approaches to support applicants wishing to join the Trust.

The Trust's recruitment and selection policy is currently under review but aims to ensure that recruitment is conducted in accordance with the Equality Act 2010. Its aim is to ensure that applicant's sense that they have been dealt with professionally, fairly, and that they feel that the Trust values its colleagues.

In July 2023, the Trust published a new inclusion policy statement to ensure we embed inclusion across all of our work and policies, recognising the important role inclusion plays in our staff experience.

There is also a range of training available to colleagues including recruitment and selection training, which is now embedded as part of the manager induction and the management and leadership essentials courses. Inclusive leadership training is also available, providing leaders with more in-depth insights into how to be more consciously inclusive. This training also supports leaders in promoting inclusive practices that enable individuals to be themselves at work and enforces the value of 'culture add' versus 'culture fit' all of which are essential principles when we look at inclusive selection processes.

The Trust is accredited as a 'Disability Confident Employer.' This means that the Trust will:

- interview applicants with a disability in line with the disability confident scheme, ordinarily this would include those who meet the minimum criteria for a position
- consult with applicants and employees with a disability about how the Trust can help develop their abilities
- make every effort when employees acquire a disability to ensure they can remain in employment
- act to ensure that all employees develop sufficient awareness of disability to make these commitments work
- ensure managers are aware of the Disability Confident Scheme and their responsibilities as hiring managers in the recruitment process
- review these commitments and plan on ways to improve them.

As part of the standard email templates provided in the recruitment system, upon booking an interview slot in the system, the candidate is invited to advise of any reasonable adjustments they require. Furthermore, events such as career fairs have provided support for those with disabilities, with support for applications being provided on the day, supporting applications from those who would find it difficult to apply via standard routes. We also work with agencies such as the Job Centre, Seetec and Curved Vision to provide additional support to candidates who may require it. For some roles, we also accept CVs as an alternative to application forms as the NHS application forms have on occasion been cited as a barrier for candidates to apply.

Following a conditional offer of employment, all applicants complete a health questionnaire that is reviewed by the Occupational Health and Wellbeing Service. If health issues are identified, the individual will be invited to attend an appointment, either in person, video or telephone from which recommendations are made and provided to recruitment for the line manager. This ensures that whenever possible the person can be employed safely and with the necessary adjustments in place to enable them to carry out the role. One recommendation from the assessment may include the health and wellbeing passport which can enable ease of movement throughout the organisation.

Experts from the people function are available to provide advice on reasonable adjustments and guidance to managers during and after the recruitment process. Reasonable adjustments are provided as appropriate throughout an individuals' employment. Line managers ensure that reasonable adjustments are provided through regular 1-2-1 conversations. Further support and expertise is available within the people function including guidance and signposting to managers and employees to both internal and external resources.

Existing disabled staff and staff who become disabled

The chief people officer is accountable for ensuring that the Trust complies with relevant legislation and any relevant NHS standards for the promotion and assessment of equality. A member of the executive team chairs the Inclusion Steering Group, reflecting the importance placed by the Trust on the proper and equitable treatment of all applicants, students, workers, and service users regardless of disability. All colleagues undergo equality and diversity training, raising awareness of personal and Trust responsibilities to those with any protected characteristic, including disability. Occupational Health and Wellbeing are well placed to advise managers where an employee's health situation may have changed, and adjustments need to be considered to support them in work.

The inclusion policy statement highlights the Trust's commitment to creating a culture of inclusion for all staff. This statement supports those with a disability to continue in employment. The ultimate aim of the policy statement is to harness the individuality of every employee, so everyone is fully engaged in the work of the Trust, and to protect all workers and service users from all forms of discrimination, harassment, and victimisation on the basis of any protected characteristic. Furthermore, the statement ensures all of our policies and practices reflect the importance of inclusion in all we do.

Whenever possible, we support colleagues to prevent or minimise the impact of any disability on the ability to work. Early discussions with line managers, and referrals to the Occupational Health and Wellbeing Service, are encouraged so that action can be taken to aid rehabilitation and return to work following illness or injury, making any reasonable adjustments that can support the individual.

Career development and progression of disabled persons

The 'Driving Your Career' programme has been launched to support the career development and progression of colleagues within the organisation. This course is aimed at staff groups currently experiencing barriers when it comes to progression in our Trust, including those with a disability.

Our aforementioned recruitment practices also support with career development and progression opportunities, with all applicants with a disability being interviewed, providing they meet the essential criteria.

The Trust has continued to increase its support to those with learning disabilities via its work on Project SEARCH. This project aims to provide secure and supported work experience placements to members of our local communities. As a result of this, many have gone on to secure open employment with the Trust, and with other local employers.

The Trust has also identified an increasing number of colleagues with neurodiverse conditions. A Neurodiversity Staff Network has been established to support staff who are neurodiverse, regardless of whether they have a formal diagnosis, including a wealth of resources, including signposting to support such as mentoring, training and reasonable adjustments.

Communication with employees

The Trust has a central communications team which manages all internal and external corporate communications within the Trust. This includes communication with colleagues, patients, foundation trust members, the media, and the wider community. The team is responsible for sharing information with colleagues to help them in their roles, spreading the word about the hospital's latest news and achievements, and ensuring colleagues engage in what is going on in the Trust.

With such a diverse range of staff in different roles, locations and with different levels of digital literacy, the way colleagues access information varies greatly. The communications team has therefore adapted to providing information in a variety of ways including weekly all staff e-mails, social media groups, television screens and posters throughout the Trust, computer displays, web and intranet and providing information for our senior leaders and line managers to cascade to their teams.

Additionally, the communications team facilitates colleagues' engagement events including monthly executive-led all staff webinars, meetings for heads of departments and webinar series specific to particular topics or themes.

Colleagues consultation and partnership working

The Trust has continued to maintain strong partnership working with Staffside colleagues for the benefit of improving the working lives of our people. Staffside representatives continue to be a part of many committees and steering groups that impact on our people, including the People, Workforce Planning and Wellbeing Committee, Partnership Forum, Local Consultative Committees, Staff Rest Space Group, Space Utilisation and Travel Groups.

The Trust makes meaningful efforts to listen to and meaningfully consult with staff from all areas. This involves senior managers meeting with Staffside representatives from a broad range of trade unions on a monthly basis at the Trustwide Partnership Forum. Throughout the year the Trust has continued to strengthen partnership working across the wider ICS region by means of the ICS Partnership Forum.

Partnership working continues to be an integral part of everything the Trust does, to ensure that every voice counts. This is illustrated through the case review panels that have continued Trust wide as part of the 'Promoting a Positive Working Environment Policy,' which replaces the former bullying and harassment, grievance, performance management and disciplinary policies. These case panels ensure that all cases are fairly reviewed by a panel made up of independent specialists, including relevant subject matter experts, HR experts and Staffside, to ensure that all informal resolution routes have been explored fully before any case is managed formally.

Staffside colleagues also continue to be a core part of discussions and key processes, including management of change processes, development of action plans from the staff survey, development of people function policies, job evaluation and pay decisions.

The year saw several periods of industrial action. During these periods, the Trust worked closely and in partnership with trade unions and employee representatives to ensure services remained safe whilst enabling employees who were entitled and wanted to take strike action were able to do so. Significant efforts were made to ensure colleagues were supported and respected whether they chose to work or take strike action, focusing on the need for people to work together to keep patients and staff safe. The Trust had robust plans and escalation routes in place to manage the risks of industrial action.

Actions to involve colleagues in the Trust's performance

The Trust has much to celebrate and, like all NHS organisations, some big challenges to face. In order to meet these challenges at the Royal Devon, we work hard to empower our colleagues to be able to make improvements in their place of work to improve the performance of the Trust. Throughout 2023/24, this has included asking all staff to think about how they can contribute to Delivering Best Value targets, continuation of the "your brilliant ideas" campaign, transformation cafes where staff can some along and talk about ideas for improvement and getting staff involved in several new initiatives throughout March 2023 in a bid to improve our ED wait times. All of this is completely aligned with the Trust's value of empowerment.

Support for employee's wellbeing

The health and wellbeing of our people is hugely important to the Trust. We strive to support all our people to improve their physical and emotional wellbeing and help them to lead a healthy lifestyle. In order to be able to care for others, it is important that our people are taking the time to care for themselves. In line with this, a dedicated health and safety report is included on page 105. The following paragraphs describe the employee wellbeing and occupational health provision across the Trust.

The support provided by the Trust is comprehensive and includes a range of specialist services including, mental health support, physiotherapy, a dedicated menopause adviser, a dietician, counselling and pastoral support, specialist sleep advice, fitness to work advice from specialist occupational health advisers or physicians as well as financial wellbeing. Colleagues also continue to have access to a comprehensive Employee Assistance Programme. Additionally, the 'healthier you' service offers colleagues the opportunity for one-to-one health consultations regarding lifestyle support as well as group sessions relating to lifestyle and sleep as examples. The diverse multi-disciplinary team and expertise available to colleagues was commended during the Trust's most recent Safe Effective Quality Occupational Health Service (SEQOHS) reaccreditation.

Whilst having a dedicated Occupational Health and Wellbeing service is a vital part of keeping our colleagues well, having support within teams to provide day-to-day support and advice is also an important part of the over all offer. In this vein we have trained colleagues staff across the organisation who take on the roles of health and wellbeing champions, mental health first aiders, trauma risk incident management (TRiM) practitioners and moving and handling facilitators. Additionally, training is available to line managers to enable them to have effective health and wellbeing conversations with their teams. Stress and burn-out sessions are scheduled regularly, facilitating a culture of prevention, early intervention and enhanced psychological support for all colleagues and in line with NICE Guidance 212 Mental Wellbeing in the Workplace.

Counter fraud and corruption

The Trust is committed to countering fraud and corruption and achieves this by working with the ASW Assurance Counter Fraud Team, which provides a local counter fraud specialist (LCFS) to comply with section 24.3 of the standard contract. The LCFS delivers awareness of fraud through both the internal intranet and presentations delivered to staff at both divisional and speciality level.

The Trust has a number of policies to guide and support colleagues, such as the counter fraud and corruption policy, standards of business conduct and the Trust's whistleblowing policy. Colleagues access Trust policies via the intranet HUB and are encouraged to seek clarification direct from the policy author, or through the director of governance.

The ASW Assurnce Counter Fraud Team monitor and reports progress against the counter fraud workplan and provides updates on the associated fraud risks to the Board through the Audit Committee.

Diversity, equity, and inclusion

Please see page 57 for our full equality report, detailing some of the achievements within this space.

Trade union facility time

The Trust is proud of its work with its trade unions and works in collaboration with their representatives throughout the Trust. Our Partnership Forum is the formal group where our Staffside and management representatives formally engage and consult.

As part of the trade union (facilities time publication requirements) regulations 2017, the Trust is required to report facility time, which is paid time-off during working hours for trade union representatives to carry out trade union duties.

The 2023 report provided to the Cabinet Office (https://www.gov.uk/government/statistical-data-sets/public-sector-trade-union-facility-time-data) is reflective of the period 1 April 2022 to 31 March 2023 and is the first report as the Royal Devon University Healthcare NHS Foundation Trust.

Royal Devon trade union facilities time

Number of trade union representatives

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
39	25.68

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	16
1-50%	20
51-99%	2
100%	1

Percentage of pay bill spent on facility time

	Figures
Total cost of facility time	£149,004
Trust's total pay bill	£484,240,000
Percentage of the total pay bill spent on facility time	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	4.62%

Expenditure on consultancy

The total expenditure on consultancy for the 2023/24 financial year was £87,000 compared to £828,000 in 2022/23.

Gender pay gap

From 2017, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. In line with statutory reporting the Trust publicly reported its gender pay gap report in line with requirements.

This is available via https://gender-pay-gap.service.gov.uk. The Trust also publishes an analysis of its annual gender pay gap data, which can be found here: **https://www.royaldevon.nhs.uk/about-us/equality-diversity-and-inclusion/**

Off payroll payments

Table 1: Highly paid off-payroll worker engagements as of 31 March 2024 earning £245 per day or greater

Number of existing engagements as of 31 March 2024	0
Of which…	0
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

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024 earning £245 per day or greater

Number of off-payroll workers engaged during the year ended 31 March 2024	0
Of which…	0
Not subject to off-payroll legislation	4
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	0
Of which: number of engagements that saw a change to IR35 status following review	0

There were no off-payroll engagements of a board member with significant financial responsibility during the financial year.

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

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

NHS Staff Survey

Staff experience and engagement

Based on robust academic evidence linking committed and motivated colleagues to enhanced patient outcomes and patient experience, the Trust employee experience team is committed to improving employee engagement within our broader organisational development and cultural transformation efforts. Aligned with the NHS People Promise, we pledge collaborative efforts to enhance the working experience across the NHS.

Our employee experience team are dedicated to helping make the Royal Devon a great place to work. There are a range of factors that impact on the way in which employees experience the workplace, including reward, values and behaviour, recognition and leadership as well as ensuring our staff have a voice that counts. These are all things that we are working hard to achieve.

Our approach to engagement aims to create optimum conditions for job satisfaction, with a particular focus on outcomes in the following areas, so that our colleagues feel:

- Valued - nurture a culture of gratitude and appreciation and implement mechanisms for recognition and award, raising awareness/flagging issues that undermine this
- Listened to - promote two-way dialogue between staff and management and implement tools, activities, and training to facilitate active listening and outcomes and amplify staff "voice"
- Connected - generate a welcoming and inclusive work environment in which staff feel a genuine sense of belonging

A range of mechanisms are in place to monitor and learn from colleague feedback, including:

- NHS Staff Survey - the Trust continues to engage each division and larger departments in developing and implementing bespoke, local engagement action plans in response to the evidence collated from the staff survey. 'Over to you' sessions with staff are held following the results being released to explore feedback provided in the National Staff Survey and where improvements can be made.
- People Pulse survey - the quarterly regional People Pulse survey includes 15 staff engagement-related questions and results are shared and triangulated with other data, to make improvements at a local level.

- Learning from Excellence - colleagues can easily submit reports which celebrate excellence, enabling us to create new opportunities for learning and improving resilience and staff morale.
- Bi-monthly all-staff webinar - colleagues are able to ask questions anonymously ahead of the webinar and in real time, which are then answered by our executive and trust directors. A recording and FAQs are made available afterwards.

In addition to these regular mechanisms, we have also monitored and learnt from colleagues' feedback to develop a range of improvements, such as improving rest spaces, travel to work options, proactive health and wellbeing initiatives and catering.

NHS Staff Survey

The NHS Staff Survey is conducted annually. Since 2021/22 the survey questions have aligned with the seven elements of the NHS 'People Promise' while retaining the two previous themes of engagement and morale. All indicators are based on a score out of 10 for specific questions, with the indicator score being the average of those. The response rate to the 2023/24 survey among trust staff was 35% a slight decrease from 2022/23 where the response rate was 37%.

Indicators ('People Promise' elements and themes)	2023/24		2022/23	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score
We are compassionate and inclusive	7.5	7.2	7.4	7.2
We are recognised and rewarded	6.2	5.9	5.9	5.8
We each have a voice that counts	6.8	6.7	6.7	6.7
We are safe and healthy	6.3	6.0	6.0	5.9
We are always learning	5.3	5.6	4.8	5.2
We work flexibly	6.4	6.2	6.1	5.9
We are a team	6.9	6.7	6.8	6.6
Staff engagement	7.0	6.9	6.8	6.8
Morale	6.1	5.9	5.8	5.7

Chart 1 - People Promise Element/Theme Scores

		We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexible	We are a team	Staff engagement	Morale
Royal Devon	**2023**	**7.5**	**6.2**	**6.8**	**6.3**	**5.3**	**6.4**	**6.9**	**7.0**	**6.1**
	2022	7.4	5.9	6.7	6.0	4.8	6.1	6.8	6.8	5.8
Eastern Services	**2023**	**7.5**	**6.2**	**6.7**	**6.2**	**5.2**	**6.4**	**6.9**	**7.0**	**6.0**
	2022	7.4	5.9	6.7	6.0	4.8	6.1	6.7	6.9	5.8
Northern Services	**2023**	**7.6**	**6.4**	**6.8**	**6.3**	**5.5**	**6.5**	**7.1**	**7.0**	**6.2**
	2022	7.4	6.1	6.7	6.0	4.9	6.3	6.8	6.8	5.9

- The Trust scored above benchmark on all areas of the people promise, except 'we are always learning'.
- For the Trust over all the most improved scores are for 'we are always learning' with a 0.5-point improvement.
- Scores for Eastern services showed an improvement across 8/9 people promise elements / themes with one remaining the same.
- Scores for Northern services have improved across all promise elements / themes.

Chart 2 - Staff Engagement (Advocacy)

	Royal Devon	Eastern Services	Northern Services	Benchmarking Group (Acute and Acute & Community Trusts)
I would recommend my organisation as a place to work	**63.4%** 2022: 59.7%	**62.7%** 2022: 60.1%	**64.9%** 2022: 58.8%	**60.5%** 2022: 56.5%
If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	**71.7%** 2022: 69.2%	**74.0%** 2022: 72.0%	**66.4%** 2022: 62.5%	**63.3%** 2022: 61.9%
Care of patients / service users is my organisation's top priority	**77.0%** 2022: 76.1%	**77.6%** 2022: 77.5%	**75.6%** 2022: 72.8%	**74.8%** 2022: 73.5%

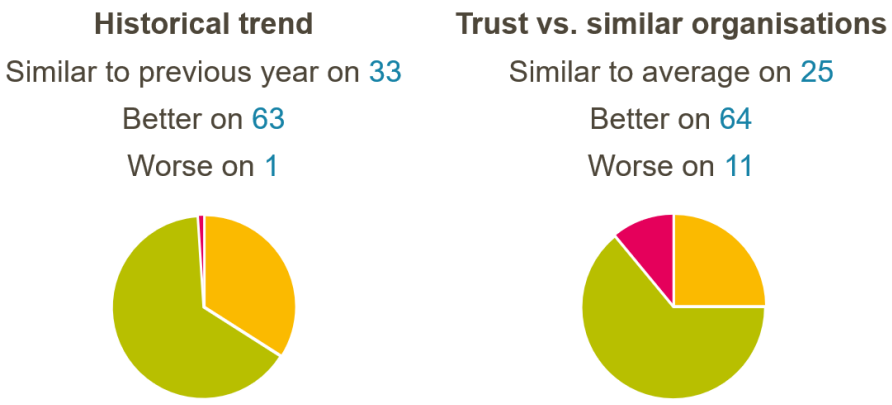
- Improvements can be seen across all of the advocacy scores, mirroring the national picture of a positive trajectory for this area.
- The biggest improvement seen for 'I would recommend my organisation as a place to work', with a 6.1% increase for northern services and a 2.1% increase for eastern services.
- The scores for both questions relating to treatment increased and are above the average for the benchmarking group.

Chart 3 - Morale

	Royal Devon	Eastern Services	Northern Services	Benchmarking Group (Acute and Acute & Community Trusts)
Thinking about leaving sub-score	**6.3** 2022: 6.1	**6.3** 2022: 6.1	**6.4** 2022: 6.1	**6.1** 2022:5.9
Work pressure sub-score	**5.4** 2022: 5.0	**5.3** 2022: 4.9	**5.5** 2022: 5.1	**5.3** 2022: 5.0
Stressors sub-score	**6.5** 2022: 6.4	**6.5** 2022: 6.4	**6.6** 2022: 6.4	**6.4** 2022: 6.3

- The Trust has improved on all sub-scores compared to last years and remain above benchmarking.
- The greatest improvement is for the work pressure sub-score with a 0.4 increase for both eastern and northern services.

Chart 4 – Trust wide improvements



The Trust has improved on 63/97 metrics compared to previous years data and remained similar on 33/97 and is performing better than or similar to 89/100 similar organisations. The Trust has improved on all of the nine people promise themes compared to previous years data and is now performing better than the average for eight of the nine people promise elements.

Future priorities and targets

Following a full and thorough analysis of the results from the NHS Staff Survey, a detailed engagement plan was enacted, including sharing results with the general public, key stakeholders, colleagues and managers within the Trust. We also present the results at Trust wide meetings and formal committees, engage with Staffside, create tailored reports for managers and divisions for their areas and gather further information on some of the key themes through 'over to you' manager and colleague sessions. A formal report is also taken to the Board of Directors for discussion.

Action plans are developed at all levels of the Trust, with feedback on progress being provided to colleagues throughout the year. In divisions and departments across the Trust, action plans are created with support of people business partners, using the local results from teams to ensure the highest priority areas are prioritised for each team.

This year, Trust-wide actions will first focus on gaining a more detailed understanding of the causes of some of the lower scoring areas, including analysis of questions in relation to appraisals, speaking up and living our value of empowerment. Trend analysis will also be completed on the written feedback received to understand any themes. There will also be work undertaken to review the response rate in more detail, including by department, division, and colleague group to understand any trends or patterns. Once this work is completed, a Trust-wide action plan will be developed in partnership with key stakeholders, including actions to support increasing the response rate in future years.

Monitoring of Trust-wide actions will take place through the People, Workforce Planning and Wellbeing Committee, with divisional and departmental action plans being monitored through the Trust Performance Assurance Framework (PAF).

Health and safety performance

In healthcare, where every heartbeat counts and every decision can alter lives, prioritising health and safety isn't just a commitment, it is the foundation upon which compassionate care is built. The following sections will provide an overview of some of the Trusts' health and safety priorities over the last financial year.

Health and safety function

The health and safety team has now fully integrated as a Trust-wide function with a single leadership structure. There is, however, a need to continue to adapt to the changing demands as departments and processes across the trust continue to come together.

The team has also been faced with new challenges and increasing workloads owing to changes in risks across the Trust and the progression of many projects by the team. One area that has been particularly challenging is violence and aggression, with numbers of incidents increasing across the Trust. Some areas have also seen significant change, for example, the team have implemented a new auditing process using smart survey for assurance, enabling inspections to be carried out in a way that prioritises resource to the highest areas of risk. The team has also developed a training programme for managers which is due to be rolled out in the new financial year.

As the coming year progresses, with potential for new digital solutions being adopted and further changes and projects needing to be supported by the team, it is expected that the workload will remain high into the coming financial year.

Health and Safety Group meeting

The group is well established and provides an effective platform for high level health and safety issues to be discussed, with and effective escalation route to the Safety and Risk Committee where appropriate.

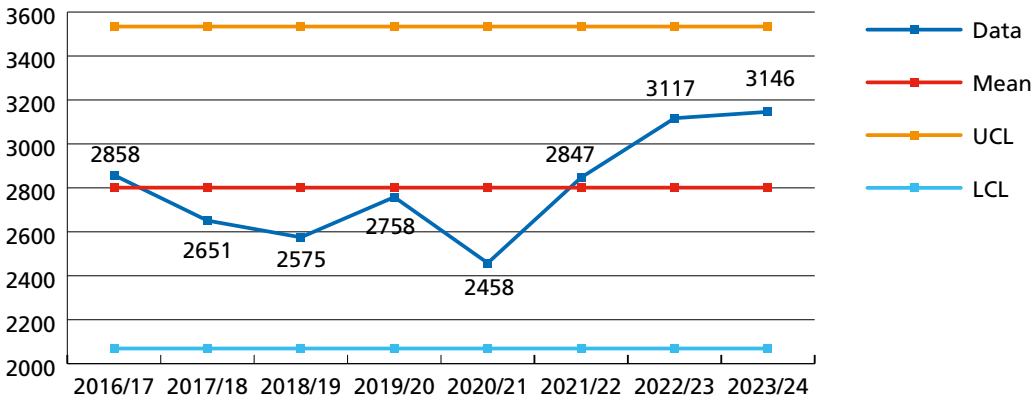
The group has met every other month over the past year; however, longer quarterly meetings are planned in the new financial year. The membership is in the process of being revised to ensure the Group can continue to effectively meet the health and safety needs of the Trust. Additionally, the sub-group structure is being reviewed to ensure that specialist groups reflect the continuing organisational development changes taking place across the Trust following integration.

A meeting is held between Staffside and the health and safety team and is progressing well with issues being resolved in a more agile way but enabling escalation to the Health and Safety Group where this is required.

Receiving and responding to colleagues' incidents reporting

All incidents relating to health and safety are recorded on the Datix system and are presented quarterly to the Health and Safety Group. Matters for escalation are then taken to the Safety and Risk Committee. The following tables represent the total number of colleague and patient accidents and violence and aggression incidents by financial year.

Figure 1: Patient accidents by reported financial year

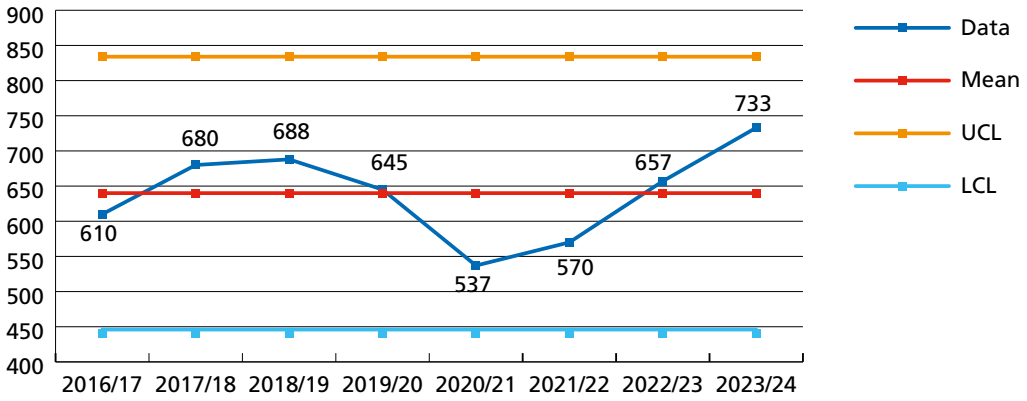


Of the 3,146 patient accidents, the top subcategories of accident reported during 2023/24 are:

- 2,734 slips, trips, and falls
- 237 self-harm

Based on outcomes, 98.3% of patient accidents had severity ratings of NONE or MINOR.

Figure 2: Colleague accidents by reported financial year



Of the 733 colleague accidents, the top subcategories of accident are:

- 231 contaminated inoculation injuries (needlestick)
- 155 slips, trips, and falls
- 116 moving and handling

Based on outcomes, 95.2% of staff accidents have severity ratings of NONE or MINOR.

Inoculation injuries and sharps management

Much work has been carried out in the Trust to highlight and control injuries arising from needlesticks and safer use of sharps. There are risk assessments in place where non-safety sharps cannot be avoided, and staff are reminded of the need to exercise caution at all times when using sharps. Work has been completed to improve the trusts sharps bins and the use of safer sharps is encouraged. Incidents involving needlestick injuries are reported on the Trust reporting platform DATIX.

The number of injuries from needles and sharps remains stable and whilst the Trust has not been visited to date, the Health and Safety Executive (HSE) has been carrying out visits to Trusts looking at sharps management as measured against the legislation.

Security and violence prevention and reduction

The NHS Long Term Plan and the NHS People Promise both demonstrated a commitment to the health and wellbeing of NHS colleagues, recognising the negative impact that poor staff health and wellbeing can have on patient care. Violence and abuse toward NHS colleagues is one of the many factors that can have a devastating and lasting impact on health and wellbeing.

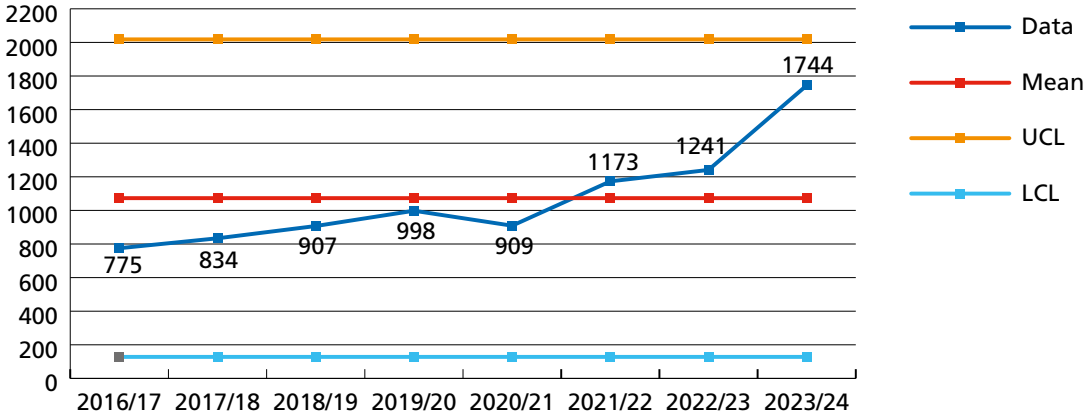
The NHS staff survey in 2023, which had more than 217,000 responses from 218 NHS Trusts found that:

- 12.7% of NHS staff have experienced at least one incident of physical violence from patients, service users, relatives, or other members of the public in the last 12 months.
- The impact on colleagues is significant, with violent attacks contributing to 40.7% of staff feeling unwell as a result of work-related stress in the last 12 months, and 56% saying that they were thinking about leaving their respective organisation.

Currently there are separate security teams in Eastern and Northern services. Violence and aggression is a continued challenge across the organisation and with the implementation of the 'right care right person' model from the Police, a new factor the Trust is managing. The Trust's security service has seen an increase of incidents where the criteria for police support is not met, resulting in a need to adapt practices safely. The Trust is working closely with the police service to ensure that the best possible practices can be followed for the benefit of our colleagues and patients.

There has also been an increase in the number of long stay patients requiring specialist mental health beds, in a secure environment, that require additional support. The environment is not set up to manage residential requirements, therefore, finding new ways of supporting these vulnerable patients until onward care is found continues to be a challenge, both from a resourcing perspective and in terms of risk to colleagues.

Figure 3: Violence and aggression incidents by reported financial year



Of the 1,744 violence and aggression (V&A) incidents reported it can be noted that:

- 898 non-physical assaults (e.g. verbal abuse)
- 836 physical assaults

Based on outcomes, of the V&A incidents reported, 1,230 incidents have severity ratings of NONE and 500 have severity ratings of MINOR, accounting for 99.2% of the total.

A task and finish group has been set up and is chaired by the chief people officer, involving key stakeholders and representation across the wider Devon care community, to progress key actions to manage and prevent instances of violence and aggression. This work will go to the board in summer 2024 and it is expected that these actions will have a significant impact in reducing and preventing violence and aggression across the Trust.

Aligning with the organisation's values and strategy, in support of a workplace culture where people act with civility and kindness, the "Respect Us" campaign series of posters has been updated and re-launched across the Trust.

The Trust Code of Conduct leaflet applicable to all colleagues, patients, visitors, and volunteers outlines conducts expected and continues to be a reference point for discussion when addressing unacceptable behaviours.

Moving and handling

The Moving and Handling service provides vital inhouse support, training and equipment management capacity to the Trust, ensuring we protect the physical health of our colleagues from back and other moving and handling injuries, enabling them to provide essential patient care.

The integration of the moving and handling team currently underway with the team now sitting in the People Development team. This follows a review of the Moving and Handling team and services provided, to ensure that the structure and processes are sufficient to provide and effective Trust wide service. It is expected that these changes will take place in due course.

NHS Staff Survey

The NHS Staff Survey results for 2023 provide a snapshot of how staff are experiencing their time at work. Figure 4 below presents information concerning the People Promise element 'we are safe and healthy' and includes some data on negative experiences concerning colleagues experiencing musculoskeletal (MSK) injury and physical violence in the workplace. Whilst the Trust compares favourably against benchmarking averages against similar acute and community Trusts, too many of our colleagues are still being subject to negative experiences.

Figure 4: NHS Staff Survey 2023 – safety climate

Promise Element 4: we are safe and healthy	Royal Devon	National Average	National Worst	National Best
Health & Safety Climate	5.5	5.5		
Negative experiences (overall)	8.1	7.7		
Highlighted sub question responses				
MSK injury in past 12 months	25.4%	28.4%	37.1%	19.6%
Physical violence experienced by staff in past 12 months (by patients / public)	10.2%	12.7%		
Harassment, bullying & abuse experienced by staff in past 12 months (by patients / public)	20.8%	26.0%	32.2%	18.3%

Note: 2023 detailed national results for some questions have not been reported due to an issue with the data from the national Survey Coordination Centre.

RIDDOR Regulations

Under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR), certain categories of incident are reported to the Health and Safety Executive (HSE) for both patients and colleagues. The HSE gives guidance, aimed at employers and others in health and social care, who have a duty to report under RIDDOR and impacts on how we decide what to report for patient incidents that meet the guidance laid out in RIDDOR.

Below are some statistics setting out our RIDDOR reports for 2023/24:

Figure 5: RIDDORs submitted to the HSE by reported financial year

Financial Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
RIDDORs	61	67	57	62	39	42	20	41
RIDDORs per 1000 FTE Staff	6.6	7.2	5.9	6.2	3.7	4.0	1.8	3.6

Note that the national rate of all reported non-fatal injuries per 1000 employees for human health activities (HSE stats 2022/23) was 2.9.

Figure 6: RIDDORs submitted to the HSE during financial year 2023/24

RIDDOR reports submitted to HSE during 2023/24	Amputation	Bone fracture excluding finger, thumb or toe	Dangerous Occurrence	Light duties for more than 7 days	Loss of consciousness due to head injury or asphyxia	Off work for more than 7 days	Patient suffering specified injury	Total
Contact with harmful substance						1		1
Contact with sharp edge or object	1				1			2
Inoculation injury (Sharps/Needlestick) - Contaminated			2			1		3
Manual Handling				2		10		12
Physical - Physical Assault		1		2		8		11
Security incident		1						1
Slips, Trips, Falls		3				4	1	8
Walk into/trap/ struck by		1				2		3
Total	1	6	2	4	1	26	1	41

Fire safety

All aspects of fire safety are managed within the estates and facilities department and the Trust has dedicated fire risk assessors, based at both acute hospitals, to carry out the fire risk assessment and fire management functions across the whole Trust.

Fire related external review notices from NHS England that come into the Trust are disseminated to the fire department and are acted on accordingly, working with the relevant department and involving health and safety as required. There are still ongoing issues around what has been termed 'corridor clutter', involving the storage of items in the main hospital corridors, thus potentially narrowing escape routes, and creating possible sources of ignition and/or fuel.

The Trust is also considering the wider problems presented by lithium batteries in e-bikes, e-scooters, and other rechargeable devices in use across the Trust and exploring how their storage and recharging can be managed.

Health and safety related training

Statutory and mandatory health and safety training (including fire) is undertaken through the Trusts digital learning platform, Learn+. This allows full oversight of compliance with essential learning, with a user-friendly interface for staff to view and understand their own training needs.

Work continues to towards aligning fire safety training Trust-wide to provide consistent content and mode of delivery that satisfies national guidance contained within the health technical memorandum suite of documents. A full review of course content has been conducted and understanding of course requirements is underway.

Over the past year, a training needs analysis has been completed and implemented. The Trust physical intervention training team in eastern services has held 259 breakaway and safe holding sessions, delivering training to 2554 out of an expected 3554 colleagues. Northern services have used an external provider to provide this training, using the same content, delivering training to 329 colleagues out of an expected 601.

Further exploratory work is being undertaken to ensure the Trust is working constantly across Eastern and Northern services. This includes providing enhanced provision to support colleagues who care for patients that need additional enhanced care.

A new managers health and safety awareness course is being released, initially to new managers, then to existing managers and is expected to begin in May 2024. A suite of 'toolbox talks' are also available on Learn+ which are complemented by resources and guidance on the Trust intranet designed to enable managers to build conversations about safety during team meetings and as a reference point for colleagues.

Fit testing

Fit testing of colleagues for FFP3 respiratory face masks has been strengthened in response to national core priority requirements for FFP3 resilience for the protection of colleagues and patients from respiratory virus infection (aerosol generating procedure risks).

The fit test co-ordinator will continue the programme of fit testing for frontline clinical and support colleagues and the figures for colleagues tested are improving as this programme continues. Booking processes have been streamlined and the requirement to fit test has been linked to Learn+ so colleagues and managers have oversight of when the test is due.

Board assurance framework (BAF)

The BAF is a Board-owned document whose primary role is to inform the Board about the totality of risks or obstacles that may impede it from achieving its strategic objectives, as outlined in the Trust's long-term strategy document. The BAF also provides assurances that adequate controls are operating to reduce these risks to acceptable levels. Following the integration of the Royal Devon and Exeter NHS Foundation Trust and Northern Devon Healthcare NHS Trust in April 2022, the Board of Directors reviewed its approach to the BAF, having adopted a new template and process and having identified risks emerging from the new Trust strategy that was launched in 2022.

The Board review the BAF on a quarterly basis, with individual risks receiving review and scrutiny by Board committees each time they meet. Internal Audit undertake an annual review of the BAF and the processes that support this. For 2023/24 the review was undertaken in quarter four, and the audit provided significant assurance (i.e. the highest positive award, the auditors were significantly assured with their findings). The BAF is explained further in the Annual Governance Statement on pages xx and xx.

Audit Committee

The audit committee is a formal, statutory committee of the Board of Directors and is chaired by Mr Alastair Matthews. Its primary role is to conclude upon the adequacy and effective operation of the organisation's over all internal control system, including without limitation, providing assurance in relation to the financial systems and controls of the Trust.

Four non-executive directors constitute the membership of the audit committee – quoracy is at least three members.

The audit committee is also attended by the following representatives: the Trust's external auditors, internal audit, Counter Fraud Service, chief operating officer, chief finance officer, director of operational finance, and the director of governance. A governor can attend in an observational capacity.

As part of the external audit plan for 2023/24, KPMG highlighted two significant audit opinion risks (expenditure recognition and management override of controls) and also noted the audit risk due to the new financial ledger, which have been considered by the audit committee.

Fraud risk from expenditure recognition

As the Trust and system is set a financial performance target by NHSE there is a risk that non-pay expenditure, excluding depreciation, may be manipulated in order to report that the control total has been met. The setting of a control total can create an incentive for management to understate the level of non-pay expenditure compared to that which has been incurred.

Auditors considered this risk to be most likely to occur through manipulating accruals at the end of the year to bring forward expenditure and after undertaking a number of procedures have not identified any issues arising from the work performed relating to inappropriate expenditure recognition.

Management override of controls

Professional standards require auditors to communicate the fraud risk from management override of controls as significant. Management is typically in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

KPMG has carried out appropriate controls and substantive procedures, testing and substantive procedures, including testing of journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual. No specific instances of management override were identified from this audit.

New financial ledger

For the previous financial year, the legacy organisations of the Trust were still operating and preparing financials as two regions, Northern and Eastern, before being consolidated into one ledger on 1 April 2023. There is a risk that the combination of two legacy systems, particularly where historic and present systems were in operation, will result in missing transactions.

KPMG engaged IT specialists to assist in a review of the data transfer and has carried out appropriate testing on opening balances within the new ledger to ensure an appropriate transfer of data onto the new system. KPMG also confirmed completeness of listings through work over opening balances and journals at the beginning of the period.

Through the audit process no specific issues due to the transfer of data onto a new ledger were identified.

Meeting schedule

The Audit Committee met five times during 2023/24. The names of members and their attendance at the meetings are as follows:

Name	May 2023	June 2023	August 2023	Nov 2023	Feb 2024
A Matthews (Chair)	P	P	P	P	P
B Kent	P	P	P	P	P
M Marshall	A	P	P	P	P
T McIntyre-Bhatty*					P
T Neal**	P	P			

* T McIntyre-Bhatty joined the Committee in February 2024

** T Neal left the Committee after the June 2023 meeting

P – Present / A – Apologies

Duties and responsibilities of the audit committee

Governance, risk management and internal control

The audit committee reviews the establishment and maintenance of an effective system of integrated governance across the whole of the Trust's activities (both financial and non-financial), that supports the achievement of the Trust's objectives.

In particular, the audit committee reviews:

- all risk and control-related disclosure statements together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the board
- the assurance processes that underpin the achievement of the Trust's objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
- the policies and procedures for all work related to fraud and corruption as set out in the NHS England standard contract and as required by the NHS Counter Fraud Authority.
- The annual ISA260 report and Letter of Representation produced by External Audit in relation to the annual report, quality account and accounts.

In carrying out this work, the audit committee primarily utilises the work of internal audit, local counter fraud specialists, external audit and other assurance functions, but is not limited to these functions. It will also seek reports and assurances from the governance committee (including clinical governance, patient safety, quality and CQC compliance) and directors and managers as appropriate.

Internal audit

The internal audit function is provided by ASW Assurance. The audit committee ensures that there is an effective internal audit function, including the Counter Fraud function, established by management that meets mandatory Public Sector Internal Audit Standards and provides appropriate independent assurance to the committee, chief executive officer and Board. This is achieved by:

- consideration of the provision of the internal audit service, the cost of the audit and any questions of resignation and dismissal
- review and approval of the annual internal audit plan, ensuring that this is consistent with the audit needs of the Trust as identified in the assurance framework
- consideration of the major findings of internal audit work (and management's response), and ensuring co-ordination between the internal and external auditors to optimise audit resources
- consideration of the annual head of internal audit's opinion
- follow-up by the Governance Committee, or one of its sub-committees, where internal audit's work is an area covered by that committee, as set out in internal audit's plan
- ensuring that the internal audit function is adequately resourced and has appropriate standing within the Trust
- an annual review of the effectiveness of internal audit.

External audit

The audit committee:

- reviews and monitors the external auditor's independence and objectivity, and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements
- keeps under review the level of non-audit services provided by the external auditor, taking into account relevant guidance
- makes recommendations to the Council of Governors in relation to the appointment, re-appointment and removal of the external auditor and

- approves the remuneration and terms of engagement of the external auditor

Further, the audit committee reviews the work and findings of the external auditor and considers the implications of, and management's responses to, their work.

This is achieved by:

- discussion and agreement with the external auditor, before the audit commences, of the nature and scope of the audit as set out in their annual plan
- discussion with the external auditors of their evaluation of audit risks and associated impact on the audit fee
- reviewing all external audit reports together with the appropriateness of management responses

Other functions

The audit committee considers the work of other committees within the Trust, the work of which can provide relevant assurance to the committee's own scope of work. This particularly includes the Governance Committee because of its management of the Trust's corporate risk register and the clinical audit function.

The audit committee also:

- reviews material changes to standing orders and standing financial instructions and schemes of delegation
- receives a report from management on the review of data quality included in the quality account and
- is given the opportunity, where possible, to review the accountancy element of any significant financial transaction within the Trust prior to its presentation to the Board of Directors for approval.
- receives a statement of losses and compensation once a year which has been approved by the chief finance officer.

Financial reporting

The audit committee reviews and, if thought appropriate, recommends to the Board approval of the annual report and financial statements, focusing particularly on:

- specific enquiry into the question of whether the Trust keeps proper books of account
- the integrity of the financial statements
- the wording in the annual governance statement and other disclosures relevant to the terms of reference of the committee
- changes in, and compliance with, accounting policies and practices
- unadjusted mis-statements in the financial statements
- major judgemental areas, and
- significant adjustments resulting from the audit
- the annual ISA260 report and Letter of Representation produced by external audit in relation to the annual report and accounts
- Providing assurance on behalf of the Board to the Department of Health around the costing process and methodology as required by the reference cost guidance.

Board of Directors reporting arrangements

The chair of the audit committee provides a report highlighting the key issues arising from the committee to the meeting of the Board that directly follows the Audit Committee. The minutes of the Audit Committee are also available to the Board.

The annual governance statement, which is included in the annual report, reviews in considerable detail the effectiveness of the system of internal control. By concurring with this statement and recommending its adoption to the Board, the Audit Committee also gives the Board its assurance on the effectiveness of the overarching systems of integrated governance, risk management and internal control.

NHS System Oversight Framework

Currently the Trust along with other Devon acute providers and the Devon Integrated Care System are assessed as continuing to fall within segment 4 of the System Oversight Framework (SOF) and are within the Recovery Support Programme (RSP). This segmentation information is the Trust's position as at 31 March 2024.

Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

The Devon system plans for 2023/24 and those in development for 2024/25 are being designed to support both the Trust and Devon system to meet agreed exit criteria.

An ambitious plan for operational and financial recovery was put in place for 2023/24 which has required focused and sustained effort on delivery across the whole system. This sustained focus on delivery will need to continue into 2024/25 in order to support progress towards the planned exit from segment 4 categorisation during the financial year.

Any risk to delivery, including where supported by wider members of the Devon health and care system, risks a delay in the Trust and / or the Devon system in exiting from the SOF 4 rating and could also result in further regulatory intervention.

Care Quality Commission (CQC)

The Royal Devon and Exeter NHS Foundation Trust and Northern Devon Healthcare NHS Trust merged on 1 April 2022 to become the Royal Devon University Healthcare NHS Foundation Trust.

The Trust is required to register with the Care Quality Commission and its current registration status is registered in full without conditions.

In May 2023, following on from the site inspections undertaken in November 2022, the CQC undertook an announced Well Led Inspection. The full inspection report was published on 25 August and can be found on the CQC's and Trust's website. The Trust was given a 'Requires Improvement' rating; the was a change from 'Good' for Eastern and remained the same for Northern. A number of must do actions were identified; the Trust submitted a robust action plan to address the actions. The Trusts Safety and Risk Committee will monitor the action plan through to completion.

In line with its Maternity Inspection Programme (a commitment by the CQC to inspect all maternity units not inspected or rated since April 2021) the CQC undertook an announced maternity inspection of Eastern and Northern services in November 2023.

The CQC published the report and outcome of the maternity inspection in March 2024 in which the Trust was rated as 'Requires Improvement'. A number of must do actions were identified; the Trust submitted a robust action plan to address the actions in April. The Trust's Safety and Risk Committee will monitor the action plan through to completion. A summary of the ratings can be found at the end of this section.

Key to tables

Ratings	Not rated	Inadequate	Requires improvement	Good	Outstanding
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol *	→←	↑	↑↑	↓	↓↓
Month Year = Date last rating published					

* Where there is no symbol showing how a rating has changed, it means either that:

- we have not inspected this aspect of the service before or
- we have not inspected it this time or
- changes to how we inspect make comparisons with a previous inspection unreliable.

Ratings for the whole trust

Safe	Effective	Caring	Responsive	Well-led	Overall
Requires Improvement →← May 2023	Good →← May 2023	Outstanding →← May 2023	Good →← May 2023	Requires Improvement ↓ May 2023	Requires Improvement ↓ May 2023

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

Rating for acute services/acute trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Royal Devon & Exeter Hospital (Wonford)	Requires Improvement → ← May 2023	Good → ← May 2023	Outstanding → ← May 2023	Good → ← May 2023	Good ↓ May 2023	Good → ← May 2023
Tiverton District Hospital	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
Honiton Hospital	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
The Oak Centre, Hawkins House (Exeter SARC)	No action Jun 2021	No action Jun 2021	No action Jun 2021	No action Jun 2021	No action Mar 2022	Good May 2017
Mardon Neuro-rehabilitation Centre	Good Apr 2019	Good Apr 2019	Outstanding Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
North Devon District Hospital	Requires Improvement → ← May 2023	Requires Improvement → ← May 2023	Good ↓ May 2023	Requires Improvement ↓ May 2023	Requires Improvement → ← May 2023	Requires Improvement → ← May 2023
Overall trust	Requires Improvement → ← May 2023	Good → ← May 2023	Outstanding → ← May 2023	Good → ← May 2023	Requires Improvement ↓ May 2023	Requires Improvement ↓ May 2023

Ratings for the trust are from combining ratings for hospitals. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

Rating for Royal Devon & Exeter Hospital (Wonford)

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care (including older people's care)	Requires Improvement ↓ May 2023	Good → ← May 2023	Good → ← May 2023	Good → ← May 2023	Requires Improvement ↓ May 2023	Requires Improvement ↓ May 2023
Services for children & young people	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016
Critical care	Good Feb 2016	Good Feb 2016	Outstanding Feb 2016	Good Feb 2016	Outstanding Feb 2016	Outstanding Feb 2016
End of life care	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016
Maternity and gynaecology	Requires Improvement Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016	Good Feb 2016
Surgery	Requires Improvement May 2023	Good May 2023	Good May 2023	Good May 2023	Requires Improvement May 2023	Requires Improvement ↓ May 2023
Urgent and emergency services	Good Feb 2016	Outstanding Feb 2016	Outstanding Feb 2016	Good Feb 2016	Outstanding Feb 2016	Outstanding Feb 2016
Outpatients	Good Apr 2019	Not rated	Good Apr 2019	Requires Improvement Apr 2019	Good Apr 2019	Good Apr 2019
Diagnostic imaging	Requires Improvement May 2023	Not rated	Good May 2023	Good May 2023	Good May 2023	Good May 2023
Overall	Requires Improvement → ← May 2023	Good → ← May 2023	Outstanding → ← May 2023	Good → ← May 2023	Good ↓ May 2023	Good → ← May 2023

Rating for Tiverton District Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
People with long term conditions	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
Families, children and young people	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
Older people	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
Working age people (including those recently retired and students)	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
People experiencing poor mental health (including people with dementia)	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
People whose circumstances may make them vulnerable	Not rated	Not rated	Not rated	Not rated	Not rated	Good Apr 2019
Overall	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019

Rating for Honiton Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
Overall	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019

Rating for The Oak Centre, Hawkins House (Exeter SARC)

	Safe	Effective	Caring	Responsive	Well-led	Overall
Overall	No action Jun 2021	No action Jun 2021	No action Jun 2021	No action Jun 2021	No action Mar 2022	Good May 2017

Rating for Mardon Neuro-rehabilitation Centre

	Safe	Effective	Caring	Responsive	Well-led	Overall
Rehabilitation services	Good Apr 2019	Good Apr 2019	Outstanding Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
Overall	Good Apr 2019	Good Apr 2019	Outstanding Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019

Rating for North Devon District Hospital

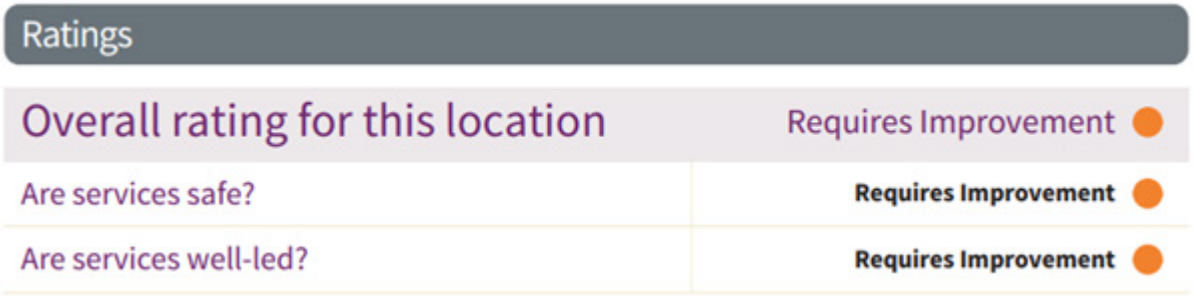
	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care (including older people's care)	Requires Improvement →← May 2023	Requires Improvement →← May 2023	Outstanding →← May 2023	Good →← May 2023	Requires Improvement →← May 2023	Requires Improvement →← May 2023
Services for children & young people	Good Nov 2014	Good Nov 2014	Good Nov 2014	Good Nov 2014	Good Nov 2014	Good Nov 2014
Critical care	Good Nov 2014	Good Nov 2014	Good Nov 2014	Requires Improvement Nov 2014	Good Nov 2014	Good Nov 2014
End of life care	Good Sep 2019	Good Sep 2019	Good Sep 2019	Good Sep 2019	Good Sep 2019	Good Sep 2019
Surgery	Requires Improvement ↓ May 2023	Good →← May 2023	Good →← May 2023	Requires Improvement →← May 2023	Requires Improvement ↓ May 2023	Requires Improvement ↓ May 2023
Urgent and emergency services	Requires Improvement Sep 2019	Good Sep 2019	Good Sep 2019	Requires Improvement Sep 2019	Requires Improvement Sep 2019	Requires Improvement Sep 2019
Maternity	Requires Improvement Sep 2019	Requires Improvement Sep 2019	Good Sep 2019	Good Sep 2019	Good Sep 2019	Requires Improvement Sep 2019
Outpatients	Good Sep 2019	Not rated	Good Sep 2019	Requires Improvement Sep 2019	Good Sep 2019	Good Sep 2019
Diagnostic imaging	Requires Improvement May 2023	Not rated	Good May 2023	Good May 2023	Good May 2023	Good May 2023
Overall	Requires Improvement →← May 2023	Requires Improvement →← May 2023	Good ↓ May 2023	Requires Improvement ↓ May 2023	Requires Improvement →← May 2023	Requires Improvement →← May 2023

Rating for community health services

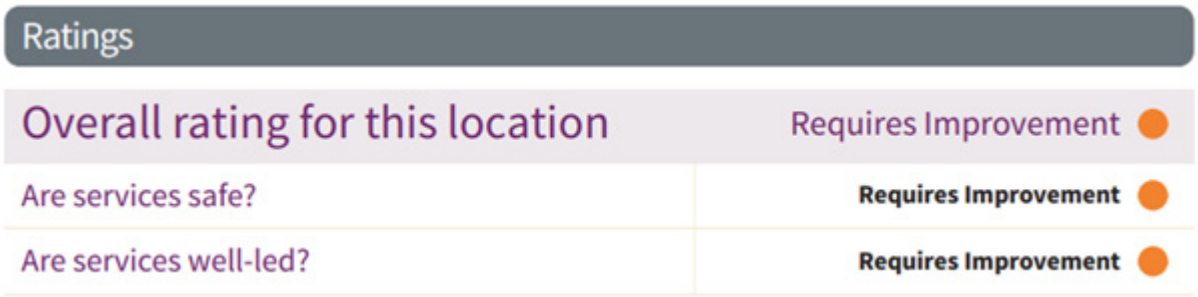
	Safe	Effective	Caring	Responsive	Well-led	Overall
Community health inpatient services	Requires Improvement Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019
Community end of life care	Requires Improvement Apr 2019	Requires Improvement Apr 2019	Good Apr 2019	Requires Improvement Apr 2019	Requires Improvement Apr 2019	Requires Improvement Apr 2019
Community health services for adults	Requires Improvement Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019	Good Apr 2019

Overall ratings for community health services are from combining ratings for services. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

Ratings for Maternity, North Devon District Hospital



Ratings for Maternity, Royal Devon & Exeter Hospital (Wonford)



Full CQC reports can be viewed on the CQC website - https://www.cqc.org.uk/provider/RH8

Statement of the chief executive officers' responsibilities

as the accounting officer of the Royal Devon University Healthcare NHS Foundation Trust

The NHS Act 2006 states that the chief executive officer 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 Officers Memorandum issued by Monitor (NHSI).

Under the NHS Act 2006, Monitor (NHSE) has directed the Royal Devon University Healthcare NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Royal Devon University Healthcare NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the accounting officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the accounts direction issued by Monitor, 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 have been followed, and
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- 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
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her 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.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

Signed:

Sam Higginson
Chief Executive Officer

Date: 26 June 2024

Annual Governance Statement

Scope of responsibility

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

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 the Royal Devon University Healthcare 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 the Royal Devon for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has a comprehensive governance system in place which was established in 2011; this structure has been developed and enhanced over a number of years and continues to be subject to regular review to ensure its continued fitness for purpose. With the appointment of a new Chief Executive Officer, Sam Higginson in January 2024 and following integration with Northern Devon Healthcare NHS Trust in 2022, the Trust is currently in the process of reviewing these arrangements with discussions underway to make changes to enhance the existing arrangements further. It is anticipated that this review will conclude in the next six months.

The audit committee monitors and oversees both internal control issues and the process for risk management. ASW Assurance (internal audit) and KPMG (external auditors) attend all audit committee meetings. The audit committee receives all reports of the internal and external auditors and reports regularly to the Board.

Risk issues are reported through the governance committee via the safety and risk committee (S&RC) and the Trust's management structure. In line with the governance review, and the implementation of the new Patient Safety Incident Response Framework, there is a plan to separate the existing S&RC into two new committees. This will result in the creation of a patient safety committee and a separate risk management committee. This will ensure a more focused and in-depth approach to both safety and risk. Management of risk is delegated to the appropriate level from director through to local management through the divisional management teams. There are established governance managers and coordinators in post to support the divisions in implementing robust risk and governance processes. Each division has a divisional governance group which meets regularly to manage risk and report and escalate concerns via the five sub committees of the governance committee. Performance management of any governance/risk action plan is managed via the Trust's Performance Assurance Framework (PAF) led by the chief operating officer. Strategic risks are managed via the Board-owned board assurance framework (BAF). This document focuses on risks that could prevent the Trust from achieving its strategic objectives and is explained more fully below.

The Board has appointed a senior independent director to be available to governors and members if they have concerns where contact through the normal channels of Chair, chief executive officer or deputy chief executive officer, have failed to resolve them or for which such contact is inappropriate. In addition, the Trust has a whistleblowing/raising concerns policy to guide and protect staff who raise issues of concern. The Trust also has a lead freedom to speak up guardian (FTSUG) who oversees the six freedom to speak up guardians who report (via the director of governance) to the chief executive officer and provide regular reports to the governance committee. A programme of work is planned for 2024 to significantly increase the number of volunteer FTSUG's and champions, with the aim being to ensure staff roles, locations and LGBGTQ are fully represented.

All staff joining the Trust are required to attend corporate induction which covers key elements of risk management and how to raise concerns. This is further enhanced at departmental induction. Risk assessor training courses are available to staff, providing the skills needed to undertake risk management duties. Staff are trained and equipped to manage risk in a way appropriate to their authority and duties. The Trust's risk management policies and procedures are available on the Trust's intranet. All our staff are signed up to our charter, which helps all colleagues understand how to report risks and issues. This will be regularly renewed to ensure there is an understanding and commitment to respect, safety and reporting principles.

An electronic risk management system (Datix), which has the ability to record, manage and triangulate incidents, complaints, risks and legal claims has been operational since June 2011. In June 2022 the Trust invested in Datix Cloud IQ. This is compatible with the Learning from Patient Safety Events platform which will replace the current national reporting platforms. This investment has allowed oversight of incidents, risks, feedback and claims across both Eastern and Northern services.

The Trust transferred to managing patient safety events through the Patient Safety Incident Response Framework (PSIRF) on 1 December 2023. As part of the preparation 18 senior staff have completed two days training to complete patient safety incident investigations.

The Trust's priorities and approach to patient safety are identified in the patient safety incident response plan and patient safety incident response policy; both documents are published here on the Trust website.

Events are reviewed by senior clinical directors and patient safety specialists at a weekly emerging patient safety event panel. Completed patient safety incident investigations are monitored through the patient safety event review group. Both of these are sub-groups to the safety and risk committee. The Trust has retained an incident review group to manage the legacy open serious incident (SI) investigations through to completion. Learning from incidents is directly fed back to the teams involved, who are invited to attend both the panel and review group.

Learning is also fed into the patient safety improvement forum. They are directly highlighted in the Trust iBulletin, and through safety briefings. A weekly spotlight on safety is being developed as part of the all staff bulletin. These are all available to all staff through the intranet. All SI and patient safety incident investigation reports and action plans are shared with the Trust's lead commissioner; NHS Devon Integrated Care Board (ICB) and the Care Quality Commission (CQC).

The risk and control framework

The board of directors is responsible for the strategic direction of the Trust. It reviews the board assurance framework (BAF) quarterly, at its public meeting, in line with the Trust's Risk Management Policy. The BAF identifies the key risks and mitigations related to the achievement of the Trust's strategic objectives and key priorities. The BAF currently contains ten risks relating to finance, staffing, performance and capacity, and safety. In addition to being reviewed by the board, the individual BAF risks are allocated to the appropriate committees of the board, i.e. finance and operational committee, whose role is to undertake a deep dive into the risk to ensure appropriate mitigations are in place, that these are having a positive impact on driving the level of risk down, and the target date and risk score can be achieved. These deep dives are undertaken in advance of the full BAF being presented to the Board.

The corporate risk register is reviewed by the governance committee bi-annually. The governance committee reports to the board of directors each time it meets. The audit committee considers the BAF and the corporate risk register when setting internal audit's annual work plan.

The director of governance attends both the governance committee and the audit committee. This supports continuity and oversight of agenda preparation and completion of actions. The chair of the governance committee is also a member of the audit committee, ensuring the two committees are aligned and there are not gaps in assurance.

The board of directors, as part of the annual plan reporting cycle, is responsible for the completion of the corporate governance statement. The Board has adopted a process by which evidence is identified for each element of the statement to provide assurance and support a decision of compliance or gap in compliance (i.e. risk). Where risk is identified this would be risk assessed, mitigating actions put in place and added to the appropriate risk register.

The governance committee is chaired by a non-executive director and provides oversight of the risk management process. The committee takes a comprehensive oversight of the quality and safety of care provided by the Trust and provides assurance to the Board of Directors. The work of the governance committee is supported by five key sub committees:

- Clinical effectiveness committee – chaired by the chief medical officer
- Safeguarding committee – chaired by the chief nursing officer
- Safety and risk committee – chaired by the chief nursing officer
- People, workforce planning and wellbeing committee – chaired by the chief people officer
- Patient experience committee – chaired by a non-executive director

These five committees are responsible for monitoring and managing specific types of risk. As outlined above, some of these committees also review risks that relate to their terms of reference and are held on the BAF.

The safety and risk committee, chaired by the chief nursing officer, has a number of key sub-groups leading the Trust's management of safety and risk:

- The patient safety group is accountable for delivery of the Trust's patient safety programme and is chaired by the director of nursing. The mortality review group is chaired by Dr Daly, Trust Mortality Lead
- The incident review group is chaired by the director of nursing and reviews all serious incidents (SI) and action plans
- Radiation safety group is chaired by one of the associate medical directors
- Infection control and decontamination group is chaired by the joint directors of infection prevention and control
- Health and safety group is chaired by the chief people officer
- Emergency preparedness, resilience and response group is chaired by the chief operating officer
- Medical devices group is chaired by one of the deputy medical directors
- Information governance steering group is chaired by the Caldicott guardian

Other specialist groups whose work relates closely to safety and risk report via the clinical effectiveness committee include the medicines management group.

The Trust has a robust, responsive and reflective reporting and monitoring framework in place in relation to mortality and learning from deaths.

All deaths that occur in the acute and community Hospitals are reviewed within 24 working hours by a medical examiner, in line with the National Medical Examiner System. This system is responsible for ensuring accuracy of death certification, referral of cases as appropriate to His Majesty's Coroner, and identification and escalation of governance issues to the Trust and Mortality service. Cases are identified for specialist review in line with National Guidance, and those that fulfil the duty of candour regulations (Regulation 20 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014). Themes identified from this comprehensive review are presented monthly to the mortality review group which reports into the safety and risk committee.

The Summary Hospital Mortality Indicator (SHMI) and Hospital Standardised Mortality Ratio (HSMR) are used within the organisation to monitor trends in data quality and mortality. A detailed Trust level mortality dashboard is scrutinised by the mortality and review group on a monthly basis. Mortality is reported to the board of directors monthly through the integrated performance report and quarterly through the governance committee by a detailed learning from deaths report. The Board also receives relevant mortality reports by escalation from the governance committee. The Trust sets a low threshold in relation to responding to deviations in mortality rates, with deep dive case note reviews undertaken to ensure that the causes of any deviation(s) can be identified and acted upon, where required.

The chief nursing officer and chief medical officer have joint director leadership and accountability for clinical governance. To ensure executive directors are aware of all safety issues in a timely manner and to utilise their expertise, safety huddles are in place. The safety huddle comprises of the chief nursing officer, chief medical officer, the Trust director of nursing, the Trust medical director, the associate directors for safety and quality and the risk manager. The huddle takes place once a week and complements the formal governance performance system by looking at soft intelligence but also provides an opportunity to discuss incidents/ concerns in real time at a senior level.

Risk identification and evaluation

The Trust has a risk management policy which has been approved by the safety and risk committee, and clearly sets out the process for identifying and managing risk and the Trust's risk appetite. It incorporates a standard methodology in which risk is evaluated using a likelihood/consequence matrix. The roles and responsibilities of staff in managing risk are defined and key posts highlighted. The policy also

includes the governance reporting structure. This policy was updated and relaunched on 1 April 2023.

The Trust maintains a comprehensive corporate risk register (CRR) covering both clinical and organisational risks. The CRR underwent a comprehensive review in 2023, and holds 26 risks. The risks on the CRR can be categorised into two main themes:

- Clinical risks = 10 risks (3 of which relate to capacity planning)
- Workforce and staffing risks = 8 risks

This aligns with the operational challenges being faced by the organisation.

The remaining risks on the CRR can be categorised into themes such as health and safety risks, information technology and information governance.

Robust action plans are in place and risks are assigned to an appropriate Executive lead and manager who are responsible for ensuring that the risk is mitigated or managed appropriately. A robust system is in place to monitor progress of action plans, which is undertaken by both the director of governance and the manager of the risk to ensure that risks are proactively managed down to their target score. A detailed report is produced by the director of governance to the safety and risk and governance committees on a predefined frequency.

The Trust has divisional risk registers which feed into the corporate risk register. At divisional level, the risk registers contain lower level localised risks which can be managed by the relevant division. The corporate risk register contains the high-level risks and Trust-wide risks. This ensures that risks are identified, managed and escalated appropriately at all levels of the organisation. Risk assessments, including health and safety and infection control, are undertaken throughout the Trust. All areas of the Trust have trained risk management officers, and the Risk Management department and director of governance facilitate risk surgeries to provide support and training and to ensure consistency in approach.

The Trust has a robust process for assessing risk to the delivering best value savings programme (DBV). A quality impact assessment is undertaken which includes identification of risk, risk score and mitigating actions. The assessment is reviewed and if appropriate authorised by the divisional triumvirate (divisional director, associate medical director and associate director of nursing). Quality impact assessments with a risk score of 12 or above are reviewed by the chief nursing officer and chief medical officer, with the Trust delivery group overseeing the total process.

Other sources used to identify risks include:

- Complaints, Care Quality Commission and Health Service Ombudsman reports and recommendations
- Inquest findings and reports from HM Coroner
- Health and Safety Executive and regulatory body compliance inspections
- Medico-legal claims and litigation reports
- Reviews commissioned from external bodies i.e. Royal Colleges
- Health Scrutiny Committee reports
- Incident reports and trend analysis (via Datix software, identification of hot spots)
- Internal and external audit reports
- Performance Assurance Framework
- Feedback from governors and members
- Care quality assessment tool
- Workforce intelligence dashboards

The Trust has systems and processes in place to assess whether there is sufficient suitably qualified competent staff to meet the treatment needs of patients safely and effectively. The Trust benchmarks staffing and effectiveness against the model hospital data with both staffing establishments and safe staffing data being reviewed and monitored by the Board in the integrated performance report on a monthly basis.

The annual operational planning process is now fully aligned with workforce planning, enabling improved forecasting of workforce needs across the organization, as well as providing a more in depth understanding of the financial impact of different approaches. Tools continue to be developed to support workforce planning at a Trust wide, professional group and local level.

The Trust uses an e-rostering system for nurses, midwives and care staff. The Allocate Safe Care tool is used to undertake a census three times a day to assess the acuity and care hours per patient day; staffing tactical meetings happen daily. As a minimum, an establishment and skill mix review is undertaken annually for each clinical area. The Trust has also introduced Medirota for medical staff for Eastern services, and Allocate is in place in Northern services. Alignment of a single system is planned for medical staffing e-Rostering in the future, following due process. Medical staff are also included in the tactical meetings at times of extreme pressure and during

critical incidents with redeployment of medical staff where appropriate.

The reviews use relevant national guidance as set out and also detail clinical judgement, triangulated with safety metrics and patient outcomes to safe and effective skill mix.

Where service changes are identified, such as a reduction of beds due to staffing shortfalls specifically in community hospital settings, they are always supported by a quality impact assessment.

The performance assurance framework also uses metrics including staffing and safety measures to assess the effectiveness and safety of care.

The people, workforce planning and wellbeing (PWPW) committee is well established and transacts all core governance business in relation to staff. The committee has a workplan, including a cycle of reporting, metrics and dashboards to provide assurance around the quality and capacity of services within the people function. Regular safe staffing reports are also received to the committee as well as guardian of safe working hours reports for junior doctors. The committee also receives strategic updates relating to staff and ensures an oversight of risks within the people function and also wider workforce risks across the Trust. During 2023, PWPW oversaw the implementation of the revised fit and proper persons requirements. The Trust has amended its internal process to ensure it meets the full requirements and is awaiting the new appraisal framework which it will roll out to all Board members later this year.

The committee has several sub-groups as follows:

- People development group – chaired by the director of nursing for Northern services
- Staff health and wellbeing group – chaired by the deputy chief executive officer
- Staff incident review group – chaired by the associate director of wellbeing, inclusion and employee experience
- Strategic resourcing steering group – chaired by the directors of people
- Medical workforce strategy Ggoup – chaired by the chief medical officer
- Nursing, midwifery and AHP workforce strategy group – chaired by the director of nursing.

The PWPW also receives updates from the Trust partnership forum with Staffside forming part of the quoracy of the committee, to enable appropriate levels of challenge and transparency. The committee reports to the governance committee providing a clear route of escalation through to the Board.

Recruitment and retention has remained a priority for the Trust and indeed the wider NHS. In the past year, the Trust has seen significant reductions in vacancy levels, despite the recruitment market remaining competitive. The NHS has released several national initiatives in recent years relating to workforce, including the NHS People Plan, the NHS health and wellbeing framework, the HR and OD review, and more recently the NHS Long Term Workforce Plan. The Trust has remained engaged with these programmes to ensure that everything possible is being done to ensure a sustainable workforce now and in the future.

The Board review the integrated performance report (IPR) each month, including a core section containing key metrics and information about ‘our people’, to ensure that staffing establishment, turnover, sickness etc. are all reviewed and monitored by the Trust.

The Trust believes the above is in line with the ‘Developing Workforce Safeguards[7]’ recommendations on using evidence-based tools, professional judgement and outcomes to ensure safe staffing processes exist and are in line with the National Quality Board guidance[8].

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

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

7 **Developing-workforce-safeguards.pdf** (england.nhs.uk)

8 **2904770 NQB Guidance v1_2_with links A** (england.nhs.uk)

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.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with and all regulatory requirements have been met.

The Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act including undertaking a risk assessment, which is deemed as an accepted risk as all appropriate mitigations are in place and the Adaptation Reporting requirements are complied with.

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

2023/24 has been a difficult year financially for the NHS and the Trust has not been immune to this. Signing off a challenging plan at the start of the year, the Trust saw a number of identified risks start to emerge in the in-year financial position. To avoid a significant overspend, the Trust entered into a voluntary, internally led financial recovery plan.

This is led under a financial recovery board structure and enables a greater level of oversight to drive a reduction in spend. The focus is very much on grip and control, ensuring that processes are clear and being adhered to as well as implementing a number of additional pay and non-pay controls mandated by NHS England to systems in level 4 of the national Oversight Framework (NOF4). This structure will continue into 2024/25 to support the delivery of a further challenging financial and operational plan.

The Trust's finance and operational committee continues to play a key role in the oversight of the overall financial stewardship and operational recovery to provide additional assurance to the board of directors.

In year performance also continued to be monitored via an integrated performance report at the monthly meetings of the board of directors. Operational management and the coordination of Trust services are delivered by the executive directors. Performance of individual clinical divisions is monitored formally on a monthly basis through the performance assurance framework which is led by the chief operating officer and Trust directors. This also escalates through to the Trust Delivery Group allowing a route of escalation and multi professional leadership challenge.

An element of assurance provided to the Board is the rigidity of the financial control processes. Internal Audit review the overall financial controls to support the head of internal audit opinion and the Trust continues to be rated at a satisfactory level of assurance in this area.

I can confirm that the Trust complies with the cost allocation of and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

As well as key financial controls, Internal Audit has conducted reviews on estates, fire safety and security, payroll, information governance, emergency preparedness, resilience and response, data quality, learning from structured judgement reviews, recruitment, freedom to speak up/whistleblowing, and clinical negligence scheme for Trusts (CNST) maternity standards, as well as areas of operational process. In addition, they have completed annual reviews of the Trust's risk management and governance arrangements. The audit committee oversees the process of implementing recommendations arising from these reviews.

Information governance

Information governance and data security is managed by the information governance steering group, led by the Caldicott guardian. The chief medical officer is the Trust's nominated senior information risk owner and freedom of information lead. Information asset owners for critical systems have been identified; system risk assessments and data security and protection training is undertaken annually.

An information security forum, chaired by the chief information officer, deals with all aspects of information security and data confidentiality. Risks to information security are reported directly to the information security forum (a sub group of the information governance steering group) and recorded on the corporate risk register. The Trust has completed the Data Protection and Security Toolkit assessment and the safety and risk committee and the board of directors has received a report regarding its system for control of information governance.

On 26 June 2023 the Trust published the annual Data Security and Protection Toolkit assessment. The return included 103 out of 113 mandatory evidence items and 24 of the 33 assertions. The Trust completed all the remaining evidence items in December 2023, and is currently rated as "Standards Met" by NHS Digital.

The 2023/2024 annual Data Security and Protection Toolkit assessment has a completion date of 30 June 2024.The initial baseline was published on 29 February 2024. Work is progressing for full submission in June 2024.

During 2023/24 the Trust reported 11 information governance incidents to the Information Commissioners Office in line with the reporting requirements.

The Information Commissioner has responded to all 11 incidents. In six of the incidents, the ICO stated "No Further Action by the ICO", with the recommendation to investigate the causes of the incidents to ensure we understand how and why they occurred and what steps we need to take to prevent them from happening again. The ICO will consider taking further action against an individual for inappropriate access in four of the reported incidents, dependant on the findings of the internal investigation report. The Trust is currently working with the ICO to provide additional information in relation to the final incident.

All ICO reported incidents are formally investigated by the Trust with action plans put in place, including recommendations from the ICO. The investigations are reported to the data breach review group, a subgroup of the information governance steering group, chaired by the data protection officer.

Data quality and governance

The Trust continues to actively promote the importance of good data quality throughout the Trust to ensure the accuracy, completeness and timeliness of the data that is held, as well as the importance of the identification and proactive mitigation of risks associated with any inaccuracies.

NHS England guidance and embedded legislation on the recording and monitoring of elective waiting time data is complex and allows for local agreement and flexibility in how some rules are interpreted. To ensure that inherent risks and unintended consequences from local interpretation are monitored, the Trust has a robust framework and meeting structure that supports and drives the data quality and information governance agenda. This provides the board of directors, via the safety and risk committee, with the assurance that effective data quality and information governance best practice mechanisms are in place within the organisation.

The Trust's access policy establishes a number of principles and definitions and defines roles and responsibilities to assist with the effective management of waiting lists relating to outpatient appointments, elective treatment imaging and other diagnostic tests. Furthermore, standard operating procedures are in place to support colleagues in applying a consistent and effective approach to waiting list management.

Assessment of data quality incorporating referral to treatment/elective waiting list management is included in the Trust's annual internal audit work plan. The audit process provides independent assurance of the design and operation of controls in place.

To complement the aforementioned thematic consideration of data quality within the governance framework, consideration of data quality is also an intrinsic element of the Trust's elective care operational management framework. Detailed operational monitoring occurs across all specialties and in conjunction with internal metrics against data quality. These are applied to identify areas for improvement and are monitored on a regular basis. Reporting takes place through the Trust's performance assurance framework, with escalation where appropriate to the Trust's governance performance system. Through 2023/24, our data quality approach has been further embedded through the business intelligence steering group.

The Trust's digital committee takes oversight of all digital issues, including those referenced above. It works in parallel with the existing governance structure, and as a sub-committee of the Trust's board of directors reports directly to the Board.

Review of effectiveness

As accountable officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the audit committee and governance committee and a plan to address

weaknesses and ensure continuous improvement of the system is in place.

The processes applied in maintaining and reviewing the effectiveness of the system of controls includes:

- The maintenance of a view of the overall position with regard to internal control by the board of directors through its routine reporting processes and its work on corporate risk
- Review of the board assurance framework and receipt of internal and external audit reports to the audit committee
- Personal input into the controls and risk management processes from all executive directors, senior managers and clinicians
- The review of the Trust's risk and internal control framework is supported by the annual head of internal audit opinion which states a satisfactory opinion rating, therefore assurance can be given that there is a sound system of internal control and that the controls are generally being applied.
- The outcome of the external auditors' review, which includes an opinion with regard to value for money.
- Evidence gathering for core Care Quality Commission regulations and registration.
- Assessment against the Care Quality Commission's Essential Standards for Quality and Safety (reviewed by internal audit)
- Self-assessment against NHSE's Code of Compliance and NHSE's Governance Framework
- Performance monitoring by the board of directors of the Trust's strategy and operational milestones to achieve internal and external targets
- Results of the national patient and staff survey results and development of targeted action plans
- Delivery of the health and safety external review action plan and health and safety workplan
- Performance monitoring and benchmarking against other providers using model hospital
- The Trust's compliance with the hygiene code
- The Trust's unconditional registration with the CQC, rated overall as 'Requires Improvement' in May 2023
- Safe staffing reviews

My review of the effectiveness of the system of internal control has been presented and approved by the board of directors. The board of directors and the audit and governance committees have been kept informed of progress against action plans throughout the year.

Conclusion

There are no significant internal control issues I wish to report in respect of 2023/24.

Signed:

Sam Higginson
Chief Executive Officer

Date: 26 June 2024

Directors report

The Royal Devon is an NHS Foundation Trust that is constituted as a public benefit corporation. Its governance structure is founded on a constitution that is approved by the regulator, NHSI. The constitution sets out how the organisation will operate from a governance perspective and what arrangements it has in place, including its committee structures and procedures, to enable the Trust to be governed effectively and within the legislative framework. The Trust's constitution incorporates the legal and statutory requirements necessary to govern the Trust. In addition, Monitor (NHSI) has developed a Code of Governance which all Foundation Trusts must comply with (or explain if they choose not to comply). This details the necessary governance structures and processes that Foundation Trusts should have in place.

Essentially, there are three basic components to the Royal Devon's governance structure:

- The membership
- The Council of Governors (CoG)
- The Board of Directors

Members of the Royal Devon consist of members of the general public who choose to apply for membership and Trust staff (unless they opt out). Members are located in a defined number of constituencies.

Members elect governors and can stand for election themselves.

The CoG consists of elected public governors, staff governors and appointed individuals from key stakeholder organisations (as defined in the constitution). governors help bind the Trust to its patients, service users, staff and stakeholders. Governors are unpaid and volunteer part-time on behalf of the Trust. They are not directors and therefore do not act in a directional capacity as their role is very different. The Trust Chair is chair of both the CoG and the Board of Directors.

Governors are the direct representatives of local communities. They collectively challenge the Board of Directors and hold them to account for the Trust's performance, as well as presenting the interests of foundation trust members and the public and providing them with information on the Trust's performance and forward plan. Governors have a range of statutory powers as well as significant influence over the Trust; they appoint the Chair and the non-executive directors and ratify the appointment of the chief executive officer.

The Board of Directors of the Royal Devon is ultimately and collectively responsible for all aspects of the performance of the Trust. The Board of Directors' role is to:

- Provide effective and proactive leadership of the Trust within a framework of processes
- Take responsibility for making sure the Trust complies with its licence, its constitution, mandatory guidance issued by NHSI, relevant statutory requirements and contractual obligations
- Set the Trust's vision, values and standards of conduct and ensure the Trust meets its obligation to its members, patients and other stakeholders and communicates them to these people clearly
- Set the Trust's strategic aims at least annually, taking into consideration the views of the CoG
- Be responsible for ensuring the quality and safety of healthcare service, education, training and research delivered by the Trust
- Ensure that the Trust exercises its functions effectively, efficiently and economically
- Develop procedures and controls which enable risk to be assessed and managed
- Take decisions objectively in the interests of the Trust
- Take joint responsibility for every decision of the Board, regardless of their individual skills or status
- Share accountability as a unitary Board
- Constructively challenge the decisions of the Board and help develop proposals on priorities, risk, mitigation, values, standards and strategy.

The Board of Directors has both executive and non-executive directors (NEDs). All non-executive directors are independent. It is a unitary Board which means that both executive and NEDs share the same liabilities and joint responsibility for every decision of the Board. In so doing, Board members bear full legal liability for the operational and financial performance of the Trust. The chief executive officer is the nominated accountable officer and is responsible for the overall organisation, management and staffing of the NHS Foundation Trust, for its procedures in financial and other matters, and for offering appropriate advice to

the Board on all matters of financial propriety and regularity.

In carrying out their role, directors need to be able to deliver focused strategic leadership and effective scrutiny of the Trust's operations, and make decisions objectively and in the interest of the Trust. The Board of Directors will act in strict accordance with the accepted standards of behaviour in public life, which include the principles of selflessness, openness, honesty and leadership (The Nolan Principles).

The Board of Directors is legally accountable for services provided by the Trust and is responsible for setting the strategic direction, having taken account of the views of the CoG, and of the overall management of the Royal Devon.

The Board is led by the non-executive Chair. In addition, there are seven NEDs who, together with the Chair, form a majority on the Board. The executive directors manage the day-to-day operational and financial performance of the Trust.

The Board normally meets to conduct its core business at least 10 times a year. At these meetings it takes strategic decisions and monitors the operational performance of the Trust, holding the executive directors to account for the Trust's achievements.

Board meetings

The Board's meeting schedule for 2023/24 was returned to normal with 10 meetings held with no meeting in August or December 2023. Almost all meetings were held face-to-face.

The papers for the monthly public Board meeting and the approved minutes of the previous meeting are published on the Trust's website in advance of the Board meeting. In advance of the legislation compelling NHS Foundation Trusts to hold their Board meetings in public, the former RD&E decided in June 2012, to move to public Board meetings that were accessible to the public. These are meetings that take place in the public arena rather than public meetings, although members of the public have the opportunity to ask questions at the end of the public section of the meeting. Items of a confidential nature are discussed by the Board in private in a monthly confidential meeting.

The issues discussed in the closed sessions tend to be commercial in-confidence issues that may impede the conduct of the Trust's business if they were to be aired publicly. The 1960 Act on Admission to public Meetings is used by the Board to help determine which topics are discussed privately and, over the course of the year, the Board has sought to discuss the majority of its business in the public session. In addition to its formal Board meetings, the Board also holds a number of development and strategy sessions.

The framework within which decisions affecting the work of the Trust are made are set out in the Trust's published Standing Orders, Standing Financial Instructions and Scheme of Delegation, copies of which may be viewed on the Trust's website (**https://www.royaldevon.nhs.uk/#**) or on request from the foundation Trust secretary.

The composition of the Board is in accordance with the Trust's constitution and the policy for the composition of NEDs on the Board. The Board considers it is appropriately composed in order to fulfil is statutory and constitutional function and remain within the NHSI's Licence. In consultation with Governors, it has, through its recruitment of NEDs, been able to maintain a good quality and effective Board that is appropriately balanced and complete.

There is a clear division of responsibility between the Chair and the chief executive officer. The Chair heads the Board, providing leadership and ensuring its effectiveness in all aspects of its role, and sets the Board agenda. The Chair ensures the Board receives appropriate information to ensure that Board members can exercise their responsibilities and make well-grounded decisions. The chief executive officer is responsible for running all operational aspects of the Trust's business, assisted by the team of executive directors.

The Chair and all NEDs meet the independence criteria laid down in Monitor's/NHSI's Code of Governance (Provision A.3.1). The Board is satisfied that no direct conflicts of interest exist for any member of the Board. There is a full disclosure of all directors' interest in the Register of Directors' Interest which is available on the Trust's website or upon request from the foundation Trust secretary. Directors and governors may appoint advisors to provide additional expertise on particular subjects if required.

The Board of Directors is accountable to the membership via the CoG. The Chair informs the CoG about the work and effectiveness of the Board at each council meeting.

The business of the Trust is conducted in an open manner and annual schedules of meetings for the Board of Directors and CoG are published 12 months in advance.

Board focus

Over the year the Royal Devon Board has led and governed the organisation successfully. Its focus has been on ensuring a sustainable and safe clinical service. A clear governance and management system is in place. The Board reviews in detail the Trust's safety, quality, financial and operational performance at every Board Meeting.

Some of the key issues the Board focused on during the year included discussions and debates on:

- Operational and financial performance and planning including operational capacity and resilience plan 2023/24 (winter plan)
- Updates on progress - strategic roadmap
- Research and development
- Infection prevention and control
- Workforce, including safe staffing reports, equality and diversity in the workforce and the gender pay gap
- Staff and patient survey results/analysis and updates on People Pulse surveys
- Patient experience, including the annual complaints report
- Devon Five-Year Joint Forward Plan
- Updates from the Devon System Recovery Board
- Outpatient transformation updates
- Response to the verdict in the trial of Lucy Letby
- Clinical Negligence Scheme for Trusts submission
- Health inequalities strategy and progress reports
- Clinical strategy and enabling strategies
- Community strategy
- Cancer strategy
- The Board Assurance Framework and review of the Trust's risk appetite
- Patient stories
- Deep dive into community services, social care pressures and cancer
- Sustainability and development plan
- Peninsula Acute Sustainability Programme updates and Devon Joint Forward Plan update
- Update on cardiology services
- Update on review of never events
- Updates on Operational Services Integration
- Care Quality Commission Maternity Inspection Report
- Budget for 2024-25
- The Board met as the Corporate Trustee
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- Health inequalities and public health management presentation
- Digital Transformation presentation
- The Board Assurance Framework including a review of the template and process
- Patient stories
- Deep dives into cancer, outpatient transformation and strategic workforce planning
- Maternity safety presentation
- The Acute Provider Collaborative and terms of reference
- The Royal Devon Better Together Strategy Roadmap 2022-27
- The transformation strategy
- The Board met as the Corporate Trustee

Outside Interests

The Board regularly updates its register of directors' interests to ensure that each member discloses details of company directorships or other material interests in companies which may conflict with their management responsibilities. Board members also have an opportunity at the start of each meeting to declare any interests which might impede their ability to take part in discussions and Directors are aware that such a declaration would be permissible at any time during a meeting, dependent on the issue being discussed and the potential for any conflict to arise.

The Directors' Register of Interests is available from the foundation Trust secretary (01392 404551) or on the Trust website:

https://royaldevon.nhs.uk/about-us/foundation-trust-and-membership/foundation-trust-documents/

Board effectiveness and evaluation

The Board continued to develop its effectiveness during the year primarily through its programme of 'development days'. Development days are seminar sessions that allow the whole Board to explore a range of issues and topics and develop and discuss ideas outside the formal setting of the Board.

A total of five Board development days were held during 2023/24 which focused on:

- Three Board development days focussing on the peninsula acute sustainability programme, the clinical strategy and enabling strategies, rebranding of the Trust's charity, Care Quality Commission inspection report and actions including maternity inspection, clinical integration, lessons learned from industrial action, a briefing on the people plan, updates on inclusion programme, policies and processes to support transgender/transitioning staff and patients, an overview of the new patient safety framework, update on the strategic roadmap, 2024/25 planning, EPIC strategy for the Devon system, staff survey headlines and next steps.
- Two joint development days with the CoG, focusing on digital update, the strategic roadmap, patient experience including an overview of the complaints process, volunteers, and an update on the patient experience strategy.
- In addition, the Board of Directors attended a seminar which provided an overview of EPIC connect

The Chair undertook appraisals for all NEDs. The process used a system that was co-designed and agreed by the Appraisals Working Group, a group made up of the Chair, the senior independent director and the Governors who sit on the Nominations Committee. The process involved a questionnaire aimed at the specific role of Board members that was used as part of a 360-degree feedback by fellow NEDs, executive directors and Governors.

Feedback on the performance of the NEDs was considered by the chair and fed back to the NEDs in appraisal meetings. Feedback on the performance appraisals was provided in written form and verbally to the Nominations Committee and an overview of the appraisals was discussed with the CoG. All the appraisals undertaken were favourable with all NEDs performing at or above the expected level. In the event of concerns being identified through the appraisal process, this would be managed in line with the appropriate human resource policy. A similar process was undertaken for the chair. In this case the process was led by the senior independent director. Going forward, in line with fit and proper persons requirements, the Trust will use the appraisal framework which is due to be released in June 2024.

Feedback on the appraisals of the executive directors was provided by the interim chief executive officer to the Remuneration Committee (RC) in January 2024.

Quality governance reporting

We have put in place a rigorous approach to governing the quality of our services. More details about these arrangements are included in the annual governance statement (page 122 of this report).

Well led

The Trust's approach to well led is outlined within the accountability report (from page 61) and also within the annual governance statement (page 122 of this report.

The last independent review of the Trust's well led framework was undertaken by the Care Quality Commission as part of a full routine inspection in May 2023 (page 116 of this report).

Foundation Trust code of governance

The Royal Devon has applied the principles of the NHS Foundation Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance is based on the principles of the UK Corporate Governance Code.

	26 April 2023		31 May 2023		28 June 2023		11 July 2023	26 July 2023		No August meeting	27 September 2023	
	Public	Confidential	Public	Confidential	Public	Confidential	Extraordinary Confidential	Public	Confidential		Public	Confidential
Mrs C Burgoyne	P	P	P	P	A	A	P	P	P		P	P
Mrs H Foster	P	P	P	P	P	P	P	P	P		P	P
Prof A Harris	P	P	A	A	P	P	P	P	P		P	P
Mrs A Hibbard	P	P	P	P	P	P	P	P	P		P	P
Mr S Higginson****												
Prof B Kent	P	P	P	P	P	P	P	P	P		P	P
Mr S Kirby	P	P	P	P	P	P	A	P	P		P	P
Prof M Marshall	P	P	P	P	P	P	P	P	P		P	P
Mr A Matthews	P	P	P	P	P	P	A	P	P		P	P
Prof T McIntyre-Bhatty ***												
Mrs C Mills	P	P	P	P	P	P	P	P	P		P	P
Dame S Morgan	P	P	P	P	P	P	P	P	P		P	P
Mr T Neal	P	P	P	P	P	P	P	P	P		P	P
Mr J Palmer	P	P	A	A	P	P	P	P	P		P	P
Mr P Roberts**											P	P
Mr C Tidman	P	P	P	P	P	P	P	P	P		P	P
Mr S Tracey*	A	A	A	A	A	A						

	1 November 2023		20 November 2023	29 November 2023		No December meeting	31 January 2024		28 February 2024		20 March 2024	
	Public	Confidential	Extraordinary Confidential	Public	Confidential		Public	Confidential	Public	Confidential	Public	Confidential
Mrs C Burgoyne	A	A	A	A	A		P	A	P	P	P	P
Mrs H Foster	P	P	P	P	P		P	P	P	P	P	P
Prof A Harris	P	P	P	P	P		P	P	P	P	P	P
Mrs A Hibbard	P	P	P	P	P		P	P	P	P	P	P
Mr S Higginson****							P	P	P	P	P	P
Prof B Kent	P	P	A	A	A		P	P	P	P	P	P
Mr S Kirby	P	P	P	A	P		P	P	P	P	P	P
Prof M Marshall	P	P	A	P	P		P	P	P	P	P	P
Mr A Matthews	P	P	P	P	P		P	P	P	P	P	P
Prof T McIntyre-Bhatty ***			P	P	P		P	P	P	P	P	P
Mrs C Mills	P	P	P	P	P		P	P	P	P	P	P
Dame S Morgan	P	P	P	P	P		P	P	P	P	P	P
Mr T Neal	P	P	P	P	P		P	P	P	P	P	P
Mr J Palmer	P	A	P	A	A		P	P	P	P	P	P
Mr P Roberts**	P	P	P	P	P							
Mr C Tidman	P	P	P	P	P		P	P	P	P	P	P
Mr S Tracey*												

* Mrs Tracey stood down as chief executive officer in July 2023

** Mr Roberts joined as interim chief executive officer from September 2023 – January 2024

*** Prof McIntyre-Bhatty joined from November 2023

**** Mr Higginson joined as chief executive officer from January 2024

Board of Directors

Non-executive directors

Shan Morgan DCMG, Chair

Shan joined the Trust as Chair on 1 April 2022. She has a wealth of experience from her career working in a variety of roles in both the Foreign Office and the home Civil Service. Her early experience was in policy work on social affairs issues at national and international levels. She was HM Ambassador to Argentina and Paraguay, and has represented the UK in the European Union and the UN system.

In her previous role, Shan was head (Permanent Secretary) of the Civil Service of the Welsh Government in Cardiff and led over 5,500 staff with responsibility for a budget of £17bn. Shan was appointed Dame Commander of the Order of St Michael and St George (DCMG) in the Queen's 2017 Birthday Honours. She has been awarded Honorary Doctorates from the University of Kent (where she studied French) and the University of Plymouth.

Carole Burgoyne MBE, Non-Executive Director

Carole joined the Trust in June 2021. She retired from Plymouth City Council in 2019 after 40 years of local government experience. She started her career as a social worker in Plymouth, became a human resources professional and ended as strategic director for people which covered the statutory roles of director of children's services and adult services. Carole has worked with partners in health to lead the transformation of social care in Plymouth and delivered a pioneering project to deliver the integration of commissioning with NEW Devon CCG and an integrated community health and social care services in Livewell Southwest.

She worked in a range of senior leadership roles across the council and led a wide range of services including corporate services, refuse collection, culture, sport and leisure, community safety and housing as well as the children's and adults' services. Carole was appointed an MBE for services to children and young people in June 2017. Married and living in Plymouth, Carole is a Trustee of Transforming Futures Multi Academy Trust and a Co-opted Governor of Thornbury Primary School.

Carole chairs the Patient Experience Committee and is a member of the Audit, Governance and Finance and Operations committees.

Bridie Kent, Non-Executive Director

Bridie joined the Trust in June 2021. Bridie is a registered nurse, with a background in both clinical and academic appointments, resulting in extensive experience in leadership, quality improvement, practice change, health services education and implementation research. She has held a number of senior academic positions, including head of school and executive dean at the University of Plymouth.

For the last 20 years, she has played a leading role in evidence-based practice uptake and implementation in the UK, New Zealand and Australia, working to enhance the transfer of evidence into practice, and improve quality of care for patients.

Bridie is a member of the Audit, Governance and Charity Committees and is Chair of the Organ Donation Committees in the Northern and Eastern services.

Steve Kirby, Vice Chair

Steve joined the Trust in September 2017. Following a period in the NHS, he worked internationally in health, running hospitals before moving to consulting. As a partner at KPMG and then Ernst & Young (EY), he has consulted to a wide range of government and health organisations both in the UK and overseas. He has worked at all levels on a wide variety of health projects and programmes, including large system reorganisations, regulatory issues, and 'at the coal face' helping to develop services or dealing with failing organisations. He was one of the two EY partners who undertook the administration of Mid Staffs NHS FT.

Steve was appointed as Vice-Chair in April 2022 and chairs the Trust's Finance and Operations Committee and Our Future Hospitals Board.

Martin Marshall, Non-Executive Director

Martin joined the Trust in November 2022. Martin has been a GP for more than 30 years, including 10 years as a GP partner in Exeter and most recently serving some of the most deprived communities in East London. He originally began his career as a junior doctor at the Royal Devon and Exeter Hospital (Wonford) and relocated back to Devon. He has significant experience as a board member, having been a non-executive director for the Care Quality Commission, the Chair of the Royal College of General Practitioners, medical director and director of research and development at the Health Foundation, and deputy chief medical officer at the Department of Health.

He has led programmes at the major academic health science network UCL partners and is currently chair of the Nuffield Trust, an independent think-tank which aims to improve the quality of healthcare in the UK through research and policy analysis.

Martin chairs the Governance Committee and is a member of Audit and Patient Experience committees.

Alastair Matthews, Non-Executive Director

Alastair joined the Trust in October 2018. He has broad strategic financial and commercial experience gained in both the private and public sectors. He was chief financial officer at the University of Plymouth for five years until November 2020. Prior to that he spent eight years as finance director and deputy CEO at the University of Southampton NHS Foundation Trust. He has been finance director at Ordnance Survey, including being a member of HMT's Financial Reporting Advisory Board, and spent six years as VP finance and administration at Computer Sciences Corporation.

He qualified and worked with Price Waterhouse in Bristol and then Southampton on a broad range of assignments across many sectors. Alastair is the Chair of the Trust's Audit Committee, Charity Committee and Integration Programme Board.

Professor Tim Mc-Intyre-Bhatty, Non-Executive Director (from November 2023)

Tim joined the Trust on 1 November 2023. He has a strong record in senior university and Board positions, alongside his experience in academic leadership, including 12 years as a deputy vice-chancellor. Tim has experience of organisational transformation, innovation and building and embedding an inclusive and nurturing culture in organisations. This sits alongside his track record of governance and assurance experience. Tim is a NED for the NHS Hampshire and Isle of Wight Integrated Care Board, chair of AIM Community, an educational charity, Governor of the University for the Creative Arts, and an independent reviewer for the European Association for Quality Assurance in Higher Education.

Tim is a member of the Audit, Charity, Digital and Patient Experience committees.

Tony Neal, Non-Executive Director

Tony joined the Trust on 1 April 2022, having served as a NED at Northern Devon Healthcare NHS Trust since January 2016. Tony has a background as a management consultant in IT and business consultancy with a particular focus on organisational visioning, development and change with previous extensive Board level experience with BT and Fujitsu. He has worked locally with each of the South West Local Authorities and a number of third sector organisations, chiefly as an interim manager and leading/supporting business turn around and change.

Tony is the Senior Independent Director (SID) and chairs the Digital Committee and is a member of the Governance Committee.

Executive directors

Sam Higginson, Chief Executive Officer (22 January 2024 – present)

Sam joined the Royal Devon as Chief Executive Officer in January 2024. Sam brings extensive experience to the role, having worked in and around the NHS for the last 20 years across strategy, finance and operational roles. Most recently, Sam supported the national work on elective recovery and was chief executive at Norfolk and Norwich University NHS Foundation Trust from 2019-2023.

Paul Roberts, Interim Chief Executive Officer (20 September 2023 – 21 January 2024)

Paul joined the Royal Devon as interim Chief Executive Officer in September 2023 having served more than 28 years as a CEO in various NHS organisations in England and Wales. Paul joined the NHS as a national management trainee in 1987 having graduated from Oxford University. He has worked in the East Midlands, Wales and the South West of England leading acute, community and mental health organisations. Most recently Paul was CEO of Gloucestershire Health and Care NHS Foundation Trust which was created after a trust merger which he led.

He has also previously led acute and community and mental health services in Plymouth over a 14-year period.

Suzanne Tracey, Chief Executive Officer (stood down on 11 July 2023)

Suzanne joined the NHS in 1993 having qualified as an accountant with Price Waterhouse. She held the post of director of finance/deputy chief executive at Yeovil District Hospital NHS Foundation Trust since 2002 before joining the RD&E to take up the role of director of finance in 2008 and subsequently deputy chief executive/chief financial officer. Suzanne was appointed chief executive of the Royal Devon and Exeter NHS Foundation Trust in 2016 and later the former Northern Devon Healthcare NHS Trust in 2018.

Suzanne became the chief executive officer of the Royal Devon in April 2022. She is also the chair of the Healthcare Financial Management Association (HFMA) Provider Faculty and past president of the HFMA.

Professor Adrian Harris, Chief Medical Officer

Adrian has been the chief medical officer since April 2015 having been appointed as a consultant emergency physician at the RD&E in February 1996. He studied medicine at the Royal Free Hospital and graduated in 1986. Prior to his appointment, Adrian served as associate medical director for the Surgical Services Division and previously held the role of director of the emergency department of the RD&E, for 12 years during which time he directed the Emergency Department of NDHT for two years. Adrian has seen healthcare from both a primary and secondary care perspective, having originally trained as a GP before moving into the field of emergency medicine, training at St Mary's Hospital in London, University Hospital Southampton and Sir Charles Gardiner Hospital in Western Australia. Adrian has a keen interest in the opportunities provided by digital and led the introduction of Epic, our comprehensive electronic patient record, across all of our sites. He has transformation and research in his portfolio.

Adrian undertook the one-year NHS Leadership Academy Executive Fast Track Programme in 2014 and has previously sat on the Council of the Royal College of Emergency Medicine. He is an honorary associate professor in healthcare leadership and management at the University of Exeter Medical School.

Chris Tidman, Deputy Chief Executive Officer

Chris joined the former Royal Devon and Exeter NHS Foundation Trust as chief financial officer in September 2017, having worked in a number of senior NHS roles in the West Midlands across acute, mental health and commissioning sectors and as director of delivery and Improvement for NHS Improvement. Chris was appointed deputy chief executive officer for the Royal Devon in January 2021. Chris took his first CFO position in 2005 at South Birmingham Primary Care Trust before joining Birmingham and Solihull Mental Health Foundation Trust as director of resources and leading them to FT status in 2008. Chris joined Worcestershire Acute in 2011 as director of resources / deputy CEO.

Chris has taken on strategic change projects, including major PFI hospital moves, EPR and IT change programmes, and developing strategic clinical partnerships with neighbouring providers. Chris has been part of the NHS Top Leaders programme and was also HFMA Chair for the West Midlands in 2015.

Hannah Foster, Chief People Officer

Hannah joined the Trust in August 2019, coming to the NHS from Flybe, the Exeter-based airline, where she was director of people. Prior to her Flybe role, Hannah also held top strategic posts for the Church of England and global educational provider Pearson, helping both organisations develop key culture and organisational growth programmes. As well as strategic and business acumen, Hannah brings a strong voluntary and charitable ethos to the Royal Devon.

Carolyn Mills, Chief Nursing Officer

Carolyn joined the Trust as chief nursing officer in January 2021. Carolyn is an experienced nurse whose career in the NHS spans over 30 years, including working in the acute, community and academic sectors. Previous to joining the Royal Devon, Carolyn worked for Hillingdon Hospitals NHS Trust, University College London Hospitals NHS Foundation Trust in assistant chief nurse positions and was director of nursing at NDHT between 2005 and 2014.

From 2014 to 2021, Carolyn was chief nurse at University Hospitals Bristol & Weston NHS Foundation Trust, where she had experience of merging together University Hospitals Bristol NHS Foundation Trust and Weston Area HealthTrust.

Angela Hibbard, Chief Finance Officer

Angela joined the NHS in 2003 following a number of years in the private sector. Angela has held a variety of accounting roles across provider, commissioner and regulator organisations gaining a wealth of experience across the sector and qualifying as a chartered management accountant along the way. Angela moved to the former Northern Devon Healthcare NHS Trust as director of finance in 2018 and was appointed as chief finance officer for the Royal Devon in January 2021.

John Palmer, Chief Operating Officer

John's extensive public sector career spans nearly 25 years and includes executive roles in healthcare, local government, the senior civil service and management consultancy. Before being appointed deputy group chief executive and site chief executive (Denmark Hill) at King's College Hospital NHS Foundation Trust, John was the chief operating officer of Cwm Taf Morgannwg University Health Board, overseeing the delivery of primary, community, hospital and mental health services to 450,000 people across the South Wales Valleys. Prior to this, John worked in a series of national roles in the Cabinet Office, Welsh Government and NHS Wales, having started his career in the Royal Brompton Hospital and then local government in Hertfordshire and Monmouthshire. Most recently, John has been the Silver Commander for North West Anglia Foundation Trust through the COVID-19 second wave.

John joined the Royal Devon as interim chief operating officer in April 2021, before being appointed as chief operating officer on July 2021.

Chair and non-executive director appointments

The Chair and NEDs are appointed by the CoG acting on the recommendation of the Nominations Committee, which is a committee of the CoG.

The Chair chairs the Committee when appointing NEDs, with the committee chaired by the lead governor when dealing with matters related to the Chair.

During 2023/24, the Nominations Committee completed the following appointments (see the section The Governors' Year below for more detail):

- Appointed Tim McIntyre-Bhatty as a NED for a term of three years from 1 November 2023 to 31 October 2026
- Alastair Matthews was re-appointed for an additional one year from 1 October 2024 to 30 September 2025
- Bridie Kent was re-appointed for an additional term of three years from 28 June 2024 to 27 June 2027
- Carole Burgoyne was re-appointed for up to an additional six months from 28 June 2024 to 31 December 2024

Membership of Nominations Committee (as at 31 March 2024)

- Chair of the Trust – Shan Morgan (Chair)
- Lead governor – Jeff Needham
- Deputy lead governor – post vacant
- Richard Westlake (Southern)
- Gill Greenfield (Southern)
- Kay Foster (Eastern)
- Rachel Noar (Eastern)
- Dale Hall (Northern)
- Quentin Cox (Northern)
- Simon Leepile (Staff)
- Angela Shore (Appointed – University of Exeter)

The committee is also supported by the Senior Independent Director when dealing with matters related to the Chair.

Non-executive director Remuneration Committee

The Non-Executive Director Remuneration Committee (NEDRC) is made up of governors and is chaired by the lead governor. The committee is supported by the Director of Governance and when required by the chief people officer.

Recommendations for any changes to remuneration for the chair and other NEDs are made by the NEDRC for consideration by the CoG at a general meeting. The committee met on 1 March 2024 to consider chair, NED remuneration and terms and conditions and made recommendations to the CoG at its 6 March 2024 meeting not to change.

Membership of NEDRC (as at 31 March 2024)

- Lead Governor – Jeff Needham (Chair)
- Deputy Lead Governor – post vacant
- Simon Leepile (Staff)
- Gill Greenfield (Southern)
- Dale Hall (Northern)
- Maurice Dunster (Eastern)
- Ian Hall (Appointed Governor)

Our Governors and members

Council of Governors (CoG)

The Trust's Council of Governors (CoG) is an elected representative voluntary body and is an integral part of the Royal Devon's governance structure. The CoG provides a vital connection between the Trust, its members and the public.

During the year, the CoG has ensured that it has carried out, as effectively as possible, its joint roles of:

- holding the non-executive directors (NEDs) to account, who in turn hold the executive directors to account
- representing the interests of members and the wider public to the Trust

Last year, the CoG had a considerable number of governors who were new to the role and the Trust focused on inducting and supporting governors to understand the role and the work of the Board of Directors. With nine new governors joining the CoG in the 2023 elections, the CoG and Trust continued to focus on this and have worked on the quality of interaction between the governors and the NEDs.

The CoG and the Board of Directors have met both face-to-face and online throughout the year, aiming to reap the benefits of both approaches. Key meetings of the whole CoG throughout the year have been face-to-face and have been attended by NEDs, which has provided the opportunity to develop relationships. The Trust recognised the wide geography of our constituencies by holding face-to-face meetings in both Eastern and Northern locations. Smaller meetings have been online and have helped the CoG to conduct its work more flexibly, address some of the challenges of having a wide geographical footprint, and support the Trust's environmental sustainability goals.

Regular attendance by governors at the public Board of Directors meetings has also helped the governors to see the NEDs 'in practice' and contribute to the appraisal of individual NEDs. Governors have been able to attend and raise questions in the public part of the Board of Directors meeting in person or via video technology.

There is a process in place should the Board of Directors and the CoG find themselves in the unlikely situation that they have a disagreement. This process has not been required during the reporting period; however, following feedback from a Governor regarding communications from the Trust to the CoG on a specific issue, the Chair commissioned the senior independent director (SID) to undertake a review of communications between the Trust and the CoG. At the time of writing, the review is on-going and the outcome will be shared with the CoG. The Trust has a Whistleblowing Policy for managing formal concerns that cannot be resolved through the existing process and also has the SID who would act as an independent facilitator in such circumstances.

The CoG met four times during the year to conduct its core business. During these meetings, the CoG were invited to share feedback from their communities and collectively considered the performance of the Trust over a quarter, highlighting any issues or concerns it had in relation to the way in which the Board of Directors is managing performance. The performance report (which essentially summarises the performance information that goes to the Board) contains information about the Trust's operational performance and its adherence to various national targets, quality and its financial performance.

The CoG met an additional three times to consider work related to the appointment of the chief executive officer, NED appointments and re-appointments, and appraisals of the NEDs and chair.

Key highlights for Governors in 2023/24

Appointment of a new non-executive director (NED)

Following on from 2022/23's significant activity, the Nominations Committee continued to be busy during 2023/24, playing a key role in the selection of candidates to be NEDs on the Board of Directors, for subsequent recommendation to, and appointment by, the CoG. The committee's work considered the Policy for the Composition of the NEDs on the Board and the skills and experience required on the Board. This process involved regular updates to the CoG.

As noted in the 2022/23 annual report, the Nominations Committee worked throughout the months of November 2022 to March 2023 to recruit a new NED to replace Professor Kay, who left the Board on 31 March 2023. Following a review of the policy for the composition of the NEDs on the Board and engagement with the Board, the skills required from the recruitment were identified as public/voluntary sector. After a robust recruitment process, the CoG met in March 2023 and approved the recommendation of the Nominations Committee to not make an appointment from the candidates shortlisted for interview. Subsequently, a review of the process was undertaken to ensure any learning was taken and the CoG agreed to commence another recruitment process in the summer of 2023. It agreed with the Board that the skills required from the recruitment remained as public/voluntary sector.

The Nominations Committee longlisted and then shortlisted candidates, with interviews taking place in September 2023. The appointment of Professor Tim McIntyre-Bhatty was approved by the CoG on 26 September 2023. Professor McIntyre-Bhatty started his three-year term on the Board of Directors on 1 November 2023.

NED appraisals 2023

The chair conducted the annual appraisals of the NEDs, which included feedback from the CoG as part of the process. All appraisals were satisfactory and this was agreed by the CoG at its January 2024 meeting. The Senior Independent Director (SID) conducted the appraisal of the Chair, which included feedback from the CoG as part of the process. The CoG agreed that the chair's appraisal was satisfactory at its January 2024 meeting.

Further details on the membership of the Nominations Committee and Appraisal Working Group can be found on page 139.

Re-appointment of non-executive directors

Having received the NEDs satisfactory appraisal reports, the Nominations Committee made recommendations to the CoG for the following re-appointments, which it approved:

- Alastair Matthews was re-appointed for an additional one year from 1 October 2024 to 30 September 2025
- Bridie Kent was re-appointed for an additional term of three years from 28 June 2024 to 27 June 2027
- Carole Burgoyne was re-appointed for up to an additional six months from 28 June 2024 to 31 December 2024

Appointment of the chief executive officer

It is the role of the NEDs to appoint the chief executive officer, with the appointment requiring the approval of the Council of Governors. The Trust established an Appointments Committee and the recruitment process (see XXX for more details) included the shortlisted candidates meeting groups of stakeholders. A session with governors was arranged as part of this and the feedback from governors was provided to the interview panel. The CoG subsequently met on 16 October 2023 to receive the recommendation of the Appointments Committee that Sam Higginson be appointed as CEO and this was unanimously approved.

Member events

The Trust held two members events during the year, including our first event in North Devon. Both events were run in a hybrid way (both face-to-face and online) to make the events open to as many members as possible across the Trust's wide geography. Governors supported the events as co-hosts with the Trust's communications and engagement team, promoted the events, and used the opportunity to engage with members. Further details on the Trust's member activity can be found on page xx.

NED remuneration

The NED Remuneration Committee met on 1 March 2024 to undertake a review of its terms of reference and to review NED and chair remuneration and terms and conditions of service. Further details on the committee and its membership can be found on page 139.

Elections to CoG 2023

Governors undertook work throughout 2023 to support the elections to CoG. Please see page 154 for more information.

Council of Governor meetings

The CoG has a number of standard agenda items, including performance reports, updates from working groups and task and finish groups, election updates, operational and strategic updates from thecChair and CEO, regular discussions with a NED on their role and remit, and any progress reports on NED recruitment.

The governors held discussions on what feedback they were receiving within their networks and communities as part of each meeting. After each meeting the CoG also had a discussion to evaluate the effectiveness of its meeting.

Below is a selection of issues discussed at the formal routine meetings:

June 2023

- Alastair Matthews, NED, held a discussion with the governors about his role and portfolio as a NED. He also updated the CoG on the external auditor tender process in his role as chair of the Audit Committee.
- Governors who attended the NHS Providers Governor Focus Conference 2023 shared their key take-aways from the conference.
- There was a session to discuss the roles and responsibilities of the lead governor and deputy lead governor.
- The Chair updated the CoG on the feedback she had received from her one-to-one meetings with the recently elected governors.

August 2023

- The CoG received the annual report and accounts 2022/23 ahead of their presentation to the Annual Members Meeting in September 2023. It also reviewed and agreed the agenda for the Annual Members Meeting.
- The CoG received a report on the performance of the external auditor, presented by Alastair Matthews, who also provided an update on the tender process.
- The CoG held a discussion with Martin Marshall, NED, on his first nine months in the role and on his portfolio.
- The Governors provided their feedback to the Trust chair about the NEDs and to the SID about the Chair as part of the annual appraisal process

September 2023

- A meeting was called for the CoG to receive a recommendation on the appointment of a new non-executive director.

October 2023

- A meeting was called for the CoG to agree the appointment of the Trust's new chief executive officer.

November 2023

- The governors received reports from the recent CoG election, from the Annual Members Meeting 2023 and the annual membership report.
- The governors had a discussion with Tony Neal, Senior Independent Director, about his role, responsibilities and portfolio.
- The CoG received an update about the ongoing external auditor tender process.

January 2024

- A meeting was called for the CoG to receive the Chair and NED appraisals and to receive recommendations related to NED re-appointments.

March 2024

- Bridie Kent discussed with the CoG her NED portfolio and role.
- The CoG considered its quality priorities for 2024/25.
- The CoG reviewed and approved its annual reporting schedule
- The CoG reviewed and updated its committee and group membership list
- The CoG received and approved recommendations from the NED Remuneration Committee.

All the agendas and approved minutes from the CoG's meetings in public can be found on the Trust's website:

https://www.royaldevon.nhs.uk/about-us/foundation-trust-and-membership/council-of-governors/public-meetings-and-minutes/

CoG development days

The Trust holds development days to support governors to gain the skills and knowledge they need to fulfil their role. In 2023/24, two development days were held with the CoG only and two were jointly held with the Board and the CoG, which gives the CoG further opportunities to work with the NEDs.

Below is a summary of the topics covered. At each development day the CoG also held its usual feedback from communities session and evaluated the effectiveness of the meeting.

April 2023

- The CoG received an update on progress made one year on from the integration of the Royal Devon and Exeter NHS Foundation Trust and Northern Devon Healthcare NHS Trust.
- The CoG held a discussion on the Trust's Operational Plan 2023/24.
- Tony Neal spoke to the governors about his role and portfolio as a NED with Steve Kirby, Vice Chair, speaking to the governors about his role as a maternity champion.
- The CoG considered and agreed with the recommendation from the Board that Tony Neal be appointed as the senior independent director.

July 2023

- This was a Joint CoG and Board development day focussed on the Trust's Digital Strategy. There was an update on progress against the strategy and a discussion on its delivery.
- The CoG separately met for a session about equality, diversity and inclusion, to consider its input into the annual NED and chair appraisals process, and to discuss the role of the staff governors.

November 2023

- This was the second CoG and Board development day of the year.
- There was an update on the refresh of the Trust's strategic roadmap.
- The Trust gave a detailed session on patient experience, involving colleagues from across the Trust to talk about the Patient Experience Strategy, volunteering at the Trust, complaints management, patient engagement and involvement, and the Trust's Patient Experience Committee.
- The CoG met separately to have a session on the Board's integrated performance report and on never events.

February 2024

- The CoG discussed the Trust's Operational Plan 2024/25.
- Sam Higginson, the Trust's new Chief Executive Officer, held an introductory discussion with the CoG.
- The CoG considered its quality priorities for 2024/25 and also topics it wished to prioritise for its development days.

CoG working groups

The CoG worked through the changes to its working groups that were implemented last year. This involved using a task and finish group approach to conduct its business, except for public and member engagement which continued through the Public and Members Engagement Group.

Two task and finish groups were set up during the year:

- CoG Effectiveness Task and Finish Group
- NED Evaluations Task and Finish Group

Public and Member Engagement Group

The purpose of the Public and Member Engagement Group is to ensure that the Council of Governors is meeting its duty to represent the interests of the members of the Trust and of the wider public. The group reports its progress to each CoG meeting.

The group met six times in the year. The key emphasis of meetings throughout the year was on:

- Planning and evaluation of two members' events
- Supporting governor elections
- Reviewing and updating the annual membership report, membership sign-up form and membership privacy notice
- Reviewing member newsletter content
- Developing a social media template for governor use
- Discussing objectives for a future membership strategy
- Receiving updates on engagement projects where the Trust sought views from the public and/or members

CoG effectiveness task and finish group

The group started its work in September 2023 and has met a number of times since, focussing on the role of the CoG and how it can fulfil this effectively. A variety of issues are being discussed, including developing a governor skills bank and reviewing CoG documents to ensure they are up to date and fit for purpose.

The group reports its progress to each CoG meeting and will present an overall report in the 2024/25 reporting year, making recommendations for the CoG to consider. Ten governors are involved in its work and the meetings in 2023/24 were chaired by Jeff Needham.

NED evaluations task and finish group

The group started its work in September 2023 and has met a number of times since, focussing on the role of the CoG in its statutory role of holding the NEDs to account. Its work includes standardising the feedback process from observing NEDs at meetings, such as the Board of Directors meetings, and how the information can also feed into the annual appraisal process.

The group reports its progress to each CoG meeting and will present an overall report in the 2024/25 reporting year, making recommendations for the CoG to consider. Four Governors are involved in its work and the meetings in 2023/24 were chaired by Jeff Needham.

Our members

As a membership organisation, the Royal Devon encourages local people to become members. Through the Trust's membership offer, members are kept informed about what is happening at the Trust, are provided with opportunities for them to feedback on our plans for the future, and are advised of other ways they can get involved in the organisation. Members vote for their representatives on the CoG and can stand for election themselves.

Membership is a distinguishing feature of foundation trusts. All foundation trusts are obliged, through legislation, to have members. The Trust aims to have a meaningful relationship with members by developing an on-going dialogue and seeking their feedback to help us improve services.

Membership activity

- The Trust held two members events during the year, including our first event in North Devon. Both events were run in a hybrid way (both face-to-face and online) to make the events open to as many members as possible across the Trust's wide geography.
- The member email newsletter was issued monthly, sharing updates on the Trust's latest developments and opportunities to get involved.
- A number of engagement opportunities were shared with our members. This included a request for people to take part in our Patient-Led Assessments of the Care Environment (PLACE) programme at our hospitals, and for people to join a patient reference group supporting a transition to a new video appointments platform. We also shared opportunities to get involved in wider NHS work that indirectly supports the Royal Devon, including workshops relating to the national New Hospitals Programme, which includes our North Devon District Hospital site as a priority for investment.
- Members played a key role in voting for new governors to join the CoG in the annual elections.

Members' event and Annual Members Meeting (AMM) 2023

We held two member events in the year, which were co-hosted by the Trust's communications and engagement team and governors. The events were also open to the wider public, to make the content accessible to a wider audience and to recruit more members.

On 17 May 2023 we held our first members event in North Devon. Three talks from clinical colleagues showed how the Trust is using digital technology to improve care, and then Trust staff gave a talk about future estate plans for North Devon District Hospital, in response to the hospital being included in the NHS New Hospitals Programme. We also spoke to members to get their views on how the Royal Devon can use digital technology to make patient care better, and shared this feedback with our Board of Directors.

We held our second members event of the year on 27 September 2023 in Tiverton.

All Trust members (public and colleagues), governors and other stakeholders were invited to join our event, which was followed by our Annual Members' Meeting.

In our members' engagement event, colleagues shared examples of how the Royal Devon is recovering waiting lists, focusing on our work at the NHS Nightingale Hospital Exeter in orthopaedics and ophthalmology. We then spoke to members and asked for their feedback about our work to recover waiting lists. We shared this feedback with our Board of Directors.

The Annual Members' Meeting provided an overview of the previous financial year, the accounts and plans for future by Chris Tidman, Deputy Chief Executive Officer, and Dame Shan Morgan, Chair. This was followed by an assurance report from our external auditors and a roundup of the governors' year by the Lead Governor and Deputy Lead Governor at the time, Barbara Sweeney and Heather Penwarden.

George Kempton, Public Governor in the Northern Constituency, addressing attendees at the Members' Event

Our governors

Governors can be contacted via email at:

rduh.royaldevonmembers@nhs.net

The Governor's Register of Interests is available for inspection on the Trust website or from the Trust Secretary (01392 404551).

Governors in post as of 31 March 2024:

Eastern public constituency (East Devon, Dorset, Somerset and rest of England)	
Maurice Dunster	Maurice was elected as a public governor in November 2022 for a term of two years. After graduating as a scientist, Maurice had a career in education before taking up a management role with John Lewis Partnership. Following his retirement from the role of Group Organisational Director, he was appointed as a non-executive director of Yeovil District Hospital NHS Foundation Trust where his responsibilities included Chair of the Trust Board Workforce Committee. He was also Chair of the NHS Dorset Clinical Commissioning Group Primary Care Commissioning Committee, and until February 2024 independent Chair of Symphony Health Services (SHS) who provide primary healthcare and are owned by Yeovil District Hospital NHS Foundation Trust. Maurice has a particular interest in developing and improving relationships between primary and secondary care, so that there is better understanding of the challenges facing both sectors, with the aim of improving patient outcomes.
Kay Foster	Kay Foster has been a public governor since 2014. She was re-elected in 2017 for a term of three years, and again in 2021 for two years. Kay is a retired registered nurse/midwife with thirty years of nursing experience. Kay spent eighteen years serving as a nursing officer with the Queen Alexandra Royal Army Nursing Corps, retiring as a major. She gained a wide variety of experiences with international postings, including Saudi Arabia during the First Gulf War. She has a BSc (Hons) in Health Services Management. During six years as governor, Kay has been a member of several subcommittees During the first lockdown of the COVID-19 pandemic, Kay worked closely with the Budleigh Hub, supporting GP surgeries with referrals for volunteers to help with shopping, prescriptions and phone buddies for the Exmouth Community. In August 2020, she became a volunteer at the Nightingale Hospital and developed the role of volunteers' coordinator working on the wards caring for COVID-19 patients.
Rachel Noar	Rachel was elected as a public governor in 2019 and re-elected in 2022 for a further three years. Rachel is Deaf and her family's first language is British Sign Language (BSL). Rachel lives in Ottery St Mary. She worked with young Deaf people at Derby College as an independent support worker, encouraging them to develop independent living skills. She went on to study Contemporary Arts/ Computer Animation, gaining an MA. She became a consultant for a disability board for East Midlands Art Council and was a member of the board of EQUATA, an arts agency for Deaf/disabled. She worked as an advisory deaf inclusion worker for Devon County Council. Rachel supported hearing families with deaf babies/toddlers. This job centred on giving parents confidence to develop their children's language skills. She also worked with nurseries and schools to develop the inclusion of Deaf children in mainstream situations. Since developing multiple sclerosis, she has become the full-time mother of two boys

Nigel Richards	Nigel was elected as a public governor in September 2023 for a term of two years. Nigel has a very wide business background, a Masters in Musicology and an MBA. He was a CEO and a successful entrepreneur for forty years alongside several non-executive directorships and some consultancy. He built his HR business to 400 employees and is experienced in complex project management, strategy, business planning and large-scale revenue development. He is on the Cranfield Trust register of voluntary consultants providing pro bono consultancy to smaller charities and is working with a community services provider on a five-year business plan and governance. A keen singer, he was responsible for developing and managing the friends, patrons and sponsors for the Exeter Festival Chorus for ten years. He hopes to give something back to the NHS which has been there for him and his family all his life.

Southern public constituency (Exeter, Teignbridge, Torbay, South Hams and Plymouth)	
Richard Westlake	Richard was elected as a public governor in September 2022 for a term of three years. Born in Okehampton, Richard followed his father into the railway, enjoying a career spanning 46 years and becoming a high-speed train driver instructor. Richard has represented a ward in Exeter for Devon County Council for 32 years and was elected Chair of Devon County Council in 1994/5. He then served the Devon Health Scrutiny Board for eight years as its Chair. He has served on numerous committees and organisations, at local, national and international level. He currently serves on two charitable trusts in Exeter and chairs the My Surgery Friends/ Patient Participation Group. This keeps Richard informed of the concerns and issues affecting residents in Exeter.
Gillian Greenfield	Gillian was elected as a public governor in September 2022 for a term of three years. Gillian worked locally for the NHS for 44 years, latterly working as a nurse and managing partner in general practice, leading the team to be rated outstanding by the Care Quality Commission on all assessments. She was vice-chair of Eastern Clinical Commissioning Group (CCG), leading on end-of-life care. She operated at board levels at Devon CCG, and Integrated Care Exeter. She has experience working strategically across health, social and third sector partnerships. At a national level, Gillian worked with the Department of Health on numerous steering groups with a focus on improving the quality of care. She was on the editorial board of a national journal, often writing articles. Gillian has been awarded for her work with carers, and has maintained face-to-face contact with patients throughout her career. She brings to the role a wealth of knowledge of working for the NHS at all levels, community connections and the experience of a grounded life. A trustee of Exeter Study Club, she enjoys hiking with her husband, grandma duties, and providing seated exercise classes for local groups.

Northern public constituency (Mid Devon, North Devon, Torridge, West Devon, Cornwall and the Isles of Scilly)	
Catherine Bearfield	Catherine was elected as a public governor for a two-year term in September 2022. Catherine worked briefly as a "casualty clerk" at Hackney Hospital, London, and then as a hospital social worker from 1974-78. She then left for Italy where she taught English and yoga for many years. Between 1999-2002 she lived in Gabon, studying anthropology. On returning to Italy, she completed a masters degree in bioethics, then a doctorate in moral philosophy at the University of Rome, La Sapienza. Catherine then taught bioethics on the masters course, and on in-service training courses for doctors and nurses working with the terminally ill, at the San Camillo-Forlanini Hospital in Rome, 2013-2016. Catherine moved to Devon in 2018 and, concerned as ever with health issues, joined the Save Our Hospital Services group to learn more about the problems of the NHS locally, and contribute to what can be done. She hopes her varied experience of health systems will be useful as she serves the Trust as governor.
Quentin Cox	Quentin was elected as a public governor for a three-year term in September 2023. Quentin was brought up on a farm in Sussex and educated locally. At medical school in London, he met his wife, Jacqueline, who trained in psychiatry. He trained to become an orthopaedic surgeon in London and the East Midlands, as well as completing a research fellowship in the USA. After an initial consultant post in Leicester, he relocated to Inverness, where he set up an orthopaedic hand service. At different times he served as a medical manager, non-executive NHS board director, and clinical staff representative at a national level. He also served for over 10 years in the Territorial Army as a medic. On retirement in 2019, he moved to Ilfracombe, and now enjoys seeing more of his three children and five grandchildren. He hopes to utilise previous experience in the role of public governor.
Dale Hall	Dale was elected as a public governor for a two-year term in September 2022. Dale came to love Devon when fostered here for 10 years so he returned with his wife Rachel in 2016 when he retired. In between, he lectured in political philosophy at Swansea University and founded Opinion Research Services (ORS), a university spin-out social research company. He also served as a member of the Wales Medical Research Ethics Committee and as a non-executive director of a health authority, housing association and the Wales Quality Centre. ORS continues as a UK-wide applied social research practice specialising in policing and emergency services, health, housing, and local and national government studies. In Devon, Dale is a trustee of the Devon Campaign to Protect Rural England, produces a village newsletter and runs the Ashford community support network, both of which had their origins in the COVID-19 lockdowns. He has also served as a parish councillor. For the Royal Devon, he is particularly interested in community consultation, social research, good governance, and the importance of free speech and accountability. He is committed to strengthening the governors' key role of protecting the public interest by holding the non-executive directors to account.

George Kempton	George was elected as a public governor for a three-year term in September 2022. George was born and educated in Hampshire, where he began his career in pathology. He then moved to Surrey and then North Devon as the scientific head of pathology. After seven years he was seconded to what was the NHS Training Authority, to manage the General Management Training Scheme and to develop competency frameworks for the delivery of healthcare. A further secondment to a London Hospital to co-direct the Department of Health project Patients First also led to his appointment as an honorary senior university lecturer. George's later years were spent in consultancy, both nationally and internationally. He now supports charities supporting the less able, both locally and nationally. George is happily married with two sons, three grandsons and one granddaughter.
Sue Matthews	Sue was elected as a public governor for a three-year term in September 2023. Sue is a retired registered nurse, having completed more than 45 years in adult nursing and mental health, specialising in critical care, including at North Devon District Hospital. Sue spent the last 22 years of her nursing career working for the Royal College of Nursing as a regional officer across the South West. She has extensive experience in both caring for patients but also supporting and representing nursing and nurses. Sue has particular expertise in occupational health and safety, and employment relations. Sue has been involved in health service development and procurement projects with Devon and Cornwall Clinical Commissioning Groups (CCGs), is chair of Litchdon and Barnstaple Alliance Patient Participation Groups, and liaises regularly with Healthwatch and the Royal Devon's Involving People Steering Group. She is an active member of a number of community groups, focusing on how and where patients access care and how the vulnerable and disadvantaged can be supported. Sue has been a carer all of her adult life for family and friends and is now a patient as coach trainer for student nurses at the University of Bolton and Nursing Academy at Petroc in Barnstaple.
Carol McCormack-Hole	Carol was elected as a public governor for a three-year term in September 2022. Carol has lived in North Devon since 1977. She bought a public house with her husband and continued her teaching career, specialising in pupils who had special educational needs. She had ovarian cancer in 1987 and discovered that North Devon District Hospital did not have a CT scanner. She began the North Devon Scanner Appeal and has been involved in engagement with local health services ever since. Carol was a district councillor for 20 years and is still a parish councillor since 1990. Carol was the lay member of the Northern Locality Clinical Commissioning Group and Chair of Devon Senior Voice. Carol is active in many community groups, including Chair of Queen's Medical Centre Patient Participation Group, and a member of Devon County Council's Joint Engagement Group, CCG Clinical Policy Engagement and Consultation Group, Involving People Steering Group at the Royal Devon and member of Healthwatch steering group. She has many opportunities to engage with the community and is committed to ensuring that the patient's voice is heard.

Avril Stone	Avril was elected as a public governor for a one-year term in September 2023. Avril is grateful her parents moved from war-torn London to Barnstaple when she was young. Avril enjoyed growing up in a busy family-run country hotel developing her communication and social skills from a young age. Following her husband's retirement from the RAF, Avril returned to Barnstaple and joined the legal department of the Devon and Cornwall Police where she worked for 16 years. Avril became a director of one of the first community property trusts, culminating in a housing complex being designed and built for the young in her village and a community hall for everyone to enjoy. This interest in her community led to Avril writing her first social history book, which was followed by five other books and many articles. Avril also worked as the secretary for a medical charity whilst living in Scotland. On their return to Barnstaple, Avril was invited to become a director of the North Devon Athenaeum, a position she still holds. Avril has plenty of experience of the care the NHS has given her and her family, including care of her husband who had motor neurone disease. Avril hopes through her governor role to support people receiving and giving care in the North Devon area.

Staff constituency

Naomi Hallett	Naomi was elected as a staff governor for a three-year term in September 2023. After obtaining a degree in economics and working in financial services, she became an inner-city centre police officer, before becoming a front-line paramedic. Naomi is now a hard-working community paramedic for the Northern Urgent Community Response team. Naomi hopes to represent those at the healthcare 'coal face' and advocate for staff and service users alike. Naomi came to Devon in 2017 due to a preference for fresh air and exercise and embedded into her village via the local pub quiz, boules competitions and church bell ringing. She lives with two cats and spends her down time growing vegetables, brewing wine and is planning her own "Grand Design".
Zoe Harris	Zoë was elected as a staff governor for a three-year term in September 2023. Zoë works within the Trust as Divisional Director of Community Services. Zoe was born and raised in Australia, finishing her schooling in Exeter to then go on to study physiotherapy at Brunel University in London. Zoë worked as a physiotherapist in the NHS, community interest companies, social care and in the private sector, before moving into leadership positions across health and social care in the last 10 years – championing community services and the prevention agenda. Zoë has achieved a Master of Business Administration (MBA) at Exeter University, and successfully completed the Nye Bevan Leadership Academy course in recent years. Zoë has two young children and enjoys a full and busy life by the sea.

Simon Leepile	Simon Leepile was elected as staff governor in September 2021 for a two-year term. Simon was a farmer in South Africa and worked in a building society before moving to the UK where he joined RD&E in 2008 working in domestic services. In 2015 he was elected as Unison Representative for RD&E and later joined Staffside, as a rep for RD&E and NDHT. He passionately believes good standards of cleanliness in our hospital and community sites reduces infections and promotes a good quality of life. He also supports the NHS training existing unskilled employees to help tackle the staffing shortages. Simon has used his Staffside time to train colleagues in basic use of computers, to enable them to access information and complete training. He is also passionate about improving communication between management, staff and patients to improve service delivery. He believes in charitable work and helping those in need. Simon spends his spare time with his family and enjoys watching the Springboks play rugby. He is a member of the Mint Methodist Church in Exeter and registered with Exeter City Council as a taxi driver.
Emily Partridge	Emily was elected as a staff governor for a one-year term in September 2023. Emily has had a varied and exciting career in the entertainment industry; trained as an actor, she performed on stage and TV. Emily has also had a long career in IT, fixing and building computers, having worked for a leading computer manufacturer for four years. Emily worked for the Deprivation of Liberty Safeguards (DoLS) and Safeguarding Adults team for a number of years then went on to work for Devon Partnership NHS Trust (DPT) in Langdon and later worked as a PA and project support in the Trust's Digital Services team. After maternity leave, Emily was delighted to begin working for the Trust as a health and wellbeing administrator. Emily supports the running of mental health first aid courses and the TRiM (trauma risk management) team, who support staff who experience traumatic situations at work. Emily volunteered to be a green champion and works closely with the employee health and wellness dietitian. Emily is very proud to work at the Royal Devon and feels that everyone in the Trust, no matter what their job is, has an equal and important part to play in serving our patients.
Tom Reynolds	Tom was elected as a staff governor in November 2022 for a three-year term. Tom moved to the UK from Ireland in 1989 and from Reading to North Devon in 2017. While Tom lived in Reading he worked for Reading University as a contracts manager, leading the European research team, and also worked as an independent consultant to the EU on large-scale international research projects, mainly in climate research. Since moving to Devon, Tom has taken on the role of Research Support Manager at the Trust and continues to pursue his passion for research. Tom is keen to support and encourage staff input to the development of the Trust, so the senior management team get to hear from those staff working on the front line. Tom plays rugby for Ilfracombe and snooker at his local social club in his spare time, as well as supporting his daughter through her A-Levels.

Clare Stevens	Clare was elected as a staff governor for a one-year term in September 2023. Clare was born in Essex and moved to Devon aged five. She attended Caen Primary School and then Braunton Community College. On leaving school, Clare worked for the Halifax Bank for 16 years, during which time she had three children. Whilst her children were in education, she held parent governor positions in both primary and senior schools, which helped her understand the education system and the challenges that schools face. In 2003 she followed a long-held ambition and applied to study for operating department practitioner training. Despite not having previous medical experience, Clare loved her training and 20 years on, still loves every day in her job and thrives from the challenges it brings.
Jayne Westcott	Jayne was elected as a staff governor in November 2022 for a three-year term. Jayne has worked for the NHS for 20 years, starting as a receptionist with her local surgery and working for the Trust for the last 18 years in administration, with six years in Health and Social Care. Since September 2021, she has been working for the Epic electronic patient record team, currently as Principal Trainer for Cadence and Springboard, utilising her experience of admin over her many years with the Trust. Admin staff are quite often the first person a patient sees when attending hospital, and being able to train these staff to be efficient and help a person attending hospital is key to patient care. She is an advocate for the administrators within the Trust. Having experienced the wonderful care in her own community of Torrington, when her husband was unwell, she is passionate about good communication between the acute and the community.

Appointed

Cllr Ian Hall	Councillor Ian Hall is one of two appointed governors and represents Devon County Council (DCC), appointed in June 2021 for a three-year term. As a District and County Councillor for his hometown of Axminster and its surrounding parishes, Ian has a deep passion for improving public services in both the local community and Devon as a whole. Ian believes that if we put the physical and mental health of individuals at the heart of public services then we will provide more resilient and prosperous communities. During his time as an elected member, he has been designated as a Mental Health Champion for DCC and pushed hard for protections against the most vulnerable in society. Ian is the Axminster Skatepark Chair and Joint Chair of the One Eastern Devon Partnership Forum. Ian looks forward to supporting the work of a trust that has so kindly helped personal relations in the past.

Professor Angela Shore	Angela is one of two appointed governors and represents the University of Exeter, appointed in 2016 and renewed in 2019 for a three-year term and again in 2022. Angela is Professor of Cardiovascular Sciences and was Vice Dean Research at the University of Exeter Medical School until 2019. Angela is principal investigator of a large team of scientists and clinicians in vascular medicine. She co-leads the Exeter Centre for Excellence in Diabetes Research with Andrew Hattersley. As Director of the Exeter NIHR (National Institute for Health and Care Research) Clinical Research Facility she facilitates experimental medicine research for the Royal Devon/University of Exeter Medical School collaboration. Angela is currently chair of the Diabetes and Wellness Foundation project and fellowship committees. Angela was president of the British Microcirculation Society 2017-2020 and treasurer for the European Society for microcirculation for over 10 years. She was a member of the International Liaison Committee for World Microcirculation Research until 2024.

Other Governors in post during the year

- Elizabeth Witt (Southern) until April 2023
- Nicky Stapleton (Staff) until May 2023
- Catherine Bragg (Staff) until May 2023
- Bob Deed (Northern) until August 2023
- Janet Bush (Southern) until September 2023
- Barbara Sweeney (Eastern) until September 2023
- Cathleen Tomlin (Staff) until September 2023
- Hugh Wilkins (Southern) until September 2023
- Brenda Pedroni (Northern) until November 2023
- Heather Penwarden (Eastern) until January 2024
- Jeff Needham (Northern) until March 2024

Governor expenses

Claims were submitted by 13 governors during the year. The total claims for expenses from governors during the financial year 2023/24 was £4090.13. In 2022/23 the total was £780.85. This increase is reflective of increased governor travel due to some meetings returning to face-to-face and in a variety of meeting locations that reflect the Trust's wider geography.

The CoG members are entitled to claim a £30 allowance for administrative costs such as telephone usage, home printing or postage costs. This allowance can be claimed once annually for each full year of tenure after the Annual Members Meeting when the governor was appointed.

Elections to the Council of Governors 2023

The routine election to the CoG included 17 posts. Some of the posts were vacant and there were a number of governors whose terms came to an end and who were eligible to stand again for election. Of these, Barbara Sweeney, Janet Bush, Hugh Wilkins and Cathleen Tomlin chose not to stand again, with Simon Leepile, Kay Foster and Heather Penwarden choosing to stand for re-election.

Below is a summary of the posts included by constituency, including detail of governors eligible to stand for re-election and also details of the length of terms that were offered.

Constituency	Posts in the election	Governor(s) eligible to stand for re-election	Term(s) of office to be include in the election
Eastern (East Devon, Dorset & Somerset and Rest of England – 5 Governors in total)	3	Kay Foster Heather Penwarden Barbara Sweeney	2 terms of three years 1 term of two years
Northern (Mid Devon, North Devon, Torridge, West Devon, Cornwall and the Isles of Scilly – 9 Governors in total)	3	All posts were vacant	2 terms of three years 1 term of one year
Southern (Exeter, Teignbridge, Torbay, South Hams and Plymouth – 8 Governors in total)	6	Janet Bush Hugh Wilkins	2 terms of three years 1 term of two years 3 terms of one year
Staff (7 Governors in total)	5	Simon Leepile Cathleen Tomlin	3 terms of three years 2 terms of one year
Total	**17**		

The usual term of office for a governor is three years. However, the Trust's Constitution provides for terms of office shorter than three years to ensure that the turnover of governors at future elections will not be excessive. The Trust has developed a look forward to map out governor terms of office and to establish the best way forward in terms of achieving balanced elections across the three-year cycle.

The Trust engaged CIVICA as the election services company to supply its services for the election and to act as the returning officer.

The election nomination period opened on 18 July 2023 and closed on 2 August 2023. There was a short withdrawal period, during which time no candidates withdrew their nomination. The Statement of Persons Nominated was circulated to the CoG and published on the Trust's website. The outcome from the nomination period was:

- Eastern public constituency – five candidates for three posts
- Northern public constituency – six candidates for three posts
- Staff constituency – seven candidates for five posts
- Southern public constituency – there were no nominations received (with six posts remaining vacant)

Voting opened on 22 August 2023 and closed at 17.00 on 12 September 2023, with the results declared on 13 September 2023:

Eastern public constituency – Heather Penwarden and Kay Foster re-elected for terms of three years; Nigel Richards elected for a term of two years. The turnout was 15.8%.

Northern public constituency – Quentin Cox and Sue Matthews elected for terms of three years; Avril Stone and Brenda Pedroni elected for terms of one year. The turnout was 16.3%.

To note that in this constituency an additional post of one year was added due to the resignation of Bob Deed in September 2023. This was approved by the CoG and all the candidates that stood in this constituency were informed.

Staff constituency – Simon Leepile re-elected for a three-year term; Naomi Hallett and Zoe Harris elected for three years and Clare Stevens and Emily Partridge elected for one year. The turnout was 10.7%.

Terms of office commenced at the Annual Members Meeting on 27 September 2023. Governors whose terms of office ended at the Annual Members Meeting were:

Barbara Sweeney, Janet Bush, Hugh Wilkins and Cathleen Tomlin.

At its August 2023 meeting, the CoG agreed not to hold a further election for the six vacant posts in the Southern constituency and to include them in the routine 2024 election. It also agreed that it wished to understand more about why there were no candidates in the Southern public constituency. The Trust routinely undertakes an evaluation survey following each election and this year this was circulated to 45 people. These were people who attended the governor role information webinars, people who made enquiries to the engagement team, those who registered with CIVICA's nominations portal but did not complete the process, and all the nominated candidates. The survey received 14 responses, a response rate of 31%.

In terms of barriers to people putting themselves forward, these were: time commitment, lack of knowledge and lack of confidence in being a Governor.

Anecdotal feedback from people who did not put themselves forward were:

- Didn't want to go through an election process
- The form was too complicated
- Negative conversation with a previous Trust governor, resulting in individual being put off putting themselves forward

The Public and Member Engagement Group (PMEG) received and considered the report from this survey at its 30 October 2023 meeting. It agreed to keep the issues under consideration ahead of the next routine election, including providing governor support for promoting the role.

As part of the election evaluation process, the Trust asked CIVICA for voter turnout benchmarking data:

- The average public turnout in 2023 was 12.4% from eight acute foundation trusts (highest: 17.4%, lowest 6.8%). The Royal Devon's turnout was 16.1%.
- For the staff governor elections, the average turnout was 10.5% of 13 acute foundation trusts (highest: 18.7%, lowest 4.8%). The Royal Devon's turnout was 10.7%.

All trusts used a mixture of postal and online voting. The data indicates that the Royal Devon is not an outlier in terms of voting turnout, although there is always more that can be done in terms of promotion, communications and engagement throughout the election process.

Summary of attendance of Governors at CoG meetings for 2023/24

Name of Governor / CoG Meeting	08 Jun 23		23 Aug 23		26 Sep 23	27 Sep 23	16 Oct 23	22 Nov 23		23 Jan 24	06 Mar 24	
P= Public C = Confidential NED = Non-Executive Director appointment CEO = CEO appointment	P	C	P	C	NED	AMM	CEO	P	C	Appraisals	P	C
Bearfield, Catherine	P	P	P	P	P	P	P	A	A	P	A	A
Cox, Quentin						A	P	A	A	P	P	P
Bush, Janet	A	A	A	A	P	A						
Deed, Bob	A	A	A	A								
Dunster, Maurice	A	A	A	A	A	A	A	A	A	A	P	A
Foster, Kay	P	P	P	P	A	A	A	P	P	P	P	P
Greenfield, Gill	A	A	A	A	P	P	P	A	A	P	P	A
Hall, Dale	P	P	A	A	A	A	P	P	P	A	P	P
Hall, Ian	A	A	P	P	P	A	A	P	P	P	A	A
Hallett, Naomi						P	A	P	P	A	P	P
Harris, Zoe						P	P	P	P	P	P	P
Kempton, George	A	A	P	P	A	A	A	A	A	A	P	P
Leepile, Simon	P	P	A	A	P	P	A	P	P	DNA	P	P
Matthews, Sue						P	P	P	P	P	P	P
McCormack-Hole, Carol	P	P	P	P	A	P	P	P	P	DNA	P	P
Needham, Jeffrey	P	P	P	P	P	P	P	P	P	P	P	P
Noar, Rachel	P	P	P	P	P	P	P	P	P	P	A	A
Partridge, Emily						P	P	P	P	P	A	A
Pedroni, Brenda						P	P	A	A			
Penwarden, Heather	P	P	P	P	P	P	P	P	P			
Reynolds, Tom	P	P	P	P	P	A	P	P	A	DNA	P	P
Richards, Nigel						P	A	P	P	P	P	P
Shore, Angela	P	P	A	A	P	A	A	P	P	P	A	A
Stevens, Clare						A	P	A	A	P	P	P
Stone, Avril						P	P	A	A	A	P	P
Sweeney, Barbara	P	P	P	P	P	P						
Tomlin, Cathleen	P	P	P	P	A	A						
Westcott, Jayne	P	P	A	A	A	A	A	A	A	P	P	P
Westlake, Richard	A	A	P	P	P	P	P	P	P	P	A	A
Wilkins, Hugh	P	P	P	P	P	A						
Morgan, Shan - Chair	P	P	P	P	P	P	P	P	P	P	P	P

Key:

Present	P
Apologies	A
Did Not Attend	DNA
Governor not in post	

Voluntary disclosures

Equality report

The Board of Directors considers equality, diversity, and inclusion fundamental to the Trust's identity as an employer of choice. Recognising that staff who feel included are happier, provide better patient care, and drive innovation, the Board of Directors have, committed to fulfilling ten core inclusion commitments as referenced in the equality performance report on page XX.

The Trust recognises the importance of taking a system approach to inclusion and have continued to work closely with local partners to achieve this, including shared inclusion events and recruitment where appropriate. This has resulted in creating an environment of shared learning to eliminate discrimination and allow our people to flourish.

Throughout the year significant work has taken place on inclusion whilst ensuring accountability and tracking through governance, as well as listening to soft intelligence provided through various staff networks and groups. A key focus has been planning for the delivery of the NHS equality, diversity, and inclusion improvement plan, which will be delivered over the next few years.

The Trusts Workforce Race Equality (WRES), Workforce Disability Equality (WDES) and Gender Pay Gap reports are detailed in the following sections; however, it should be noted that a number of additional reports have been written to provide a greater understanding of employee experience across other groups of staff, namely in the context of sexual orientation, gender identity and those with different religious beliefs. In relation to pay gaps, additional reporting has been completed for ethnicity and disability and can be found on our public website using this link (**www.royaldevon.nhs.uk/about-us/equality-diversity-and-inclusion**). These additional reports allow the Trust to gain a more holistic understanding of employee experience, across a wider range of characteristics, providing greater intelligence to enable further development of the inclusion agenda.

Workforce Race Equality (WRES) Report

The Workforce Race Equality Standard (WRES) was first introduced in 2016 and requires Trusts to compile and submit a standard national report in order to demonstrate its findings and to demonstrate progress against a number of indicators relating to the representation of black and minority ethnic staff.

The WRES is in place to ensure that employees from black and minority ethnic backgrounds have equal access to career opportunities, receive fair treatment in the workplace and should highlight any differences between the experience and treatment of White staff and black and minority ethnic colleagues in the NHS, with a view to closing any identified gaps through the development and implementation of action plans focused upon continuous improvement over time.

The Trust publishes a summary of its annual WRES data, which can be found here, but of note is the improvement of the quality of the data held which will allow the Trust to have a better understanding of the experiences of our people.

The data period for the information within the submission was 1 April 2022 – 31 March 2023. Whenever previous years' data is referenced, this will be an aggregate total of Royal Devon and Exeter NHS Foundation Trust and Northern Devon Healthcare NHS Trust, which has not previously been published, as the two trusts merged April 2022. As such there will be discrepancies between previous years data present in this report and any previously published data.

Workforce data

The total number of colleagues employed by the Royal Devon as of 31 March 2023 stood at 13,443, of which 1,310 were recorded as black and minority ethnic. Based on these figures, black and minority ethnic colleagues represent 9.74% of the total staff population. It is worth noting only 6.79% of those completing the staff survey identified as being from a black and minority ethnic background.

According to the data the black and minority ethnic population within the Trust has increased by 0.34% (from 9.40%) from the previous reporting period ending March 2022. This increase is despite the fact that the number of staff not having a recorded ethnicity on ESR has increased from 2022 data; a total of 8.52% of colleagues, an increase of 2.95% compared to the 5.57% in 2022 data.

When we look at recruitment and selection data we can see that there were 297 people shortlisted who classified themselves as from a black and minority ethnic background and, 83 were appointed. This represents an increase in the percentage taken into employment (27.95% compared to 25.85% the previous year). 19.09% of people who identify as White were appointed into roles, a reduction of 9.7% from last year's data. This indicates that black and minority ethnic colleagues were more likely to be appointed having been shortlisted for a role than those who identify as white. However, it is worth noting that due to the significant difference in the number of shortlisted applicants between white (n=2891) and black and minority ethnic applicants (n=297) it is difficult to reach a definitive conclusion.

The data shows that no black and minority ethnic colleagues entered a formal disciplinary process in the past year. By comparison 0.12% (n=13) of staff identifying as white and 0.17% of those recorded as ethnicity unknown / null entered formal disciplinary processes. This relative likelihood of black and minority ethnic colleagues entering the process compared to white colleagues represents a decrease from the previous year and some black and minority ethnic colleagues may be included in the ethnicity unknown figure although this figure has decreased from the previous year.

The return shows that a higher percentage (80.08%) of black and minority ethnic colleagues have accessed non-mandatory training and CPD in the last 12 months than white colleagues (74.69%), an increase in both figures from the previous year. From the figures above, it is likely that role required training is still being included in this figure, there will be ongoing work on improving the accuracy of the data which should be excluding such training. As such it may look like reported figures next year are lower and inconsistent with this year's report, but they should be more accurate.

In 2022, 4,672 Trust employees completed the staff survey, 6.76% of which identified as from a black and minority ethnic background. As there are only two years' worth of data to compare, the benchmark for 2022 has also been included for the below staff survey metrics. Arrow indicators for 2022 are to indicate the comparison with the previous year's figures. Column marked difference allows us to see the percentage difference between the 2022 figures for BME colleagues relative to white colleagues.

	White staff			Black and minority ethnic staff			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who experience harassment, bullying or abuse from patients, relatives or members of the public	22.0%	22.0% ↔ (0%)	26.9%	29.4%	28.7% ↓ (-0.7%)	30.8%	+6.7%
% of staff who experience harassment, bullying or abuse from other colleagues	18.4%	20.7% ↑ (+2.3%)	23.3%	22.9%	27.4% ↑ (+4.5%)	28.8%	+6.7%

The staff survey data suggests that there has been a reduction in the number of black and minority ethnic colleagues who have experienced bullying, harassment, or abuse in the workplace from either patients, relatives, or members of the public, but a statistically significant increase of 4.5% in those experiencing the above from work colleagues. There has also been a 2.3% increase in the number of white colleagues who have reported experiencing harassment, bullying or abuse from other colleagues; the Trust remains better than benchmarking on all the above metrics.

Equal opportunities with regard to career progression or promotion

	White staff			Black and minority ethnic staff			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who believe their organisation provides equal opportunity for career progression or promotion	62.3%	59.1% ↓ (-3.2%)	58.6%	45.4%	51.0% ↑ (+5.6%)	47.0%	+8.1%

This data indicates a 5.6% increase in the number of black and minority ethnic colleagues who feel that they receive equal opportunities with regards to career progression. This has decreased for white colleagues compared to the previous year's data, now only 0.5% above benchmarking.

Experience of discrimination at work from manager or other colleague

	White staff			Black and minority ethnic staff			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff experienced discrimination at work from manager / team leader or other colleagues in last 12 months	5.5%	5.5% ↔ (0%)	6.5%	16.0%	16.7% ↑ (+0.7%)	17.3%	+11.2%

This data shows that the percentage of staff from white ethnic backgrounds feeling that they have personally experienced discrimination at work from their manager or another member of staff has not changed from previous years data.

There has been a 0.7% increase in black and minority ethnic colleagues experiencing discrimination at work. Both of these figures for white and black and minority ethnic colleagues are below benchmarking.

Board voting membership

The return shows that the total Board members and voting membership is now 93.3% white, with 6.7% not declaring an ethnicity.

Workforce Disability Equality (WDES) report

The Workforce Disability Equality Standards (WDES) was first introduced in 2019 and requires Trusts to compile and submit a standardised national report of its findings and to demonstrate performance against a number of indicators relating to workforce disability equality, including a specific indicator to address the low levels of representation for colleagues with disabilities at Board level. The Trust publishes a summary of its annual WDES data, which can be found here.

The WDES should ensure that employees who have a disability have equal access to career opportunities, receive fair treatment in the workplace and aims to highlight any differences between the experience and treatment of those who identify as having a disability versus those who do not. This is completed with a view to closing any identified gaps through the development and implementation of action plans focused upon continuous improvement over time.

The data period for the information within the submission was 1 April 2022 – 31 March 2023. Whenever previous years data is referenced, this will be an aggregate total of Royal Devon and Exeter Trust and Northern Devon Healthcare Trust, which has not previously been published, as the two trusts merged April 2022. As such there will be discrepancies between previous years data present in this report and any previously published data.

Workforce data

The total number of colleagues employed by the RD&E as of 31 March 2021 stood at 13,443 of which 549 were recorded as having a disability and 3378 with an unknown status recorded on ESR.

The proportion of colleagues who do not have their disability status recorded on ESR has increased from last year by 1.67% and only 74.87% of staff have their disability status recorded on ESR. According to ESR information, staff with a disability represent 4.08% of the total staff population. This is a slight increase from the 3.76% of the total staff population recorded last year. This is significantly different to the data recorded from respondents to the Staff Survey, where the number of respondents answering yes to the question "do you have any physical or mental health conditions or illnesses lasting or expected to last for 12 months or more?" stood at 24.74%.

When we look at recruitment and selection data we can see that of the 117 shortlisted applicants who classified themselves as disabled, 37 were appointed. This means that 31.62% were taken into employment, an increase of around 3% from last year. Of the 2957 shortlisted applicants not identifying as disabled, 607 (20.53%) were appointed into roles, a decrease of around 10% from last year's report. This demonstrates that based on the recruitment activity recorded in this period, those who identify as having a disability are more likely to be appointed from shortlisting than those who do not with the rates of appointment from shortlisting increased for disabled and decreased for non-disabled applicants since last year.

Trusts who have 10 or fewer cases of disabled staff within the formal capability process for reasons of performance are not required to include these results alongside the analysis of the other metrics. Results for this metric have not been published in line with guidance from the National WDES Team, as there are far fewer than 10 cases within the Trust.

In 2022, 4,672 Trust colleagues completed the staff survey, 24.74% of which declares a disability. As there are only two years' worth of data to compare, benchmarking for 2022 has also been included for the below staff survey metrics. Arrow indicators for 2022 are to indicate the comparison with the previous year's figures. Column marked difference allows us to see the percentage difference between the 2022 figures for disabled staff relative to non-disabled staff.

Bullying, harassment, or abuse

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who experience harassment, bullying or abuse from patients, relatives, or members of the public	28.3%	28.9% ↑ (+0.3%)	33.0%	20.8%	20.4% ↓ (-0.4%)	26.2%	+8.5%
% of staff experiencing harassment, bullying or abuse from manager in the last 12 months	14.0%	14.3% ↑ (+0.3%)	17.1%	6.7%	7.9% ↑ (+1.2%)	9.9%	+6.4%
% Percentage of staff experiencing harassment, bullying or abuse from other colleagues in last 12 months	22.5%	23.6% ↑ (+1.1%)	26.9%	12.6%	14.7% ↑ (+2.1%)	17.7%	+8.9%

The data above shows an increase in all metrics for disabled colleagues experiencing harassment, bullying or abuse compared to last year's data. There has also been a larger increase in non-disabled colleagues experiencing harassment, bullying or abuse from their manager or other colleagues but a slight reduction in experiencing this from patients, relatives, or the general public.

The Trust remains below benchmarking on all metrics which has increased from previous years data.

Reporting incidences

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff saying that the last time they experienced harassment, bullying or abuse at work, they or a colleague reported it	45.3%	48.7% ↑ (+3.4%)	48.4%	46.8%	49.3% ↑ (-2.5%)	47.3%	-0.6%

Reporting of incidents relating to colleagues experiencing harassment, bullying or abuse at work has increased for both groups. It appears that reporting of these incidents is lower among colleagues declaring a disability, although the gap is significantly reducing compared to last year's data.

Equal opportunities with regard to career progression

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who believe their organisation provides equal opportunity for career progression or promotion	56.5%	53.5% ↓ (+3.0%)	51.4%	62.3%	60.1% ↓ (-2.2%)	57.3%	-6.6%

The data shows a decline of scores for both colleagues with and without a disability in terms of colleagues feeling the Trust provide equal opportunities with regards to career progression, the decline being greater for colleagues reporting a disability. This regression, while still above benchmarking for 2022, is despite benchmarking remaining the same for staff with a disability and reducing for colleagues not reporting a disability.

In addition, there remains a 6.6% disparity with a lower number of disabled colleagues still saying that their organisation provides equal opportunity for career progression compared to their non-disabled colleagues.

Pressure to come to work

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who felt pressure from their manager to come to work, despite feeling not well enough to perform their duties	27.0%	23.0% ↓ (+4.0%)	30.0%	18.8%	16.0% ↓ (-2.8%)	20.8%	+7.0%

The staff survey results show the percentage of disabled colleagues and non-disabled colleagues feeling pressure from their line manager to come to work despite not feeling well has reduced from previous years data, most notably for disabled colleagues. This is in line with a decrease in benchmarking although the gap between the two groups remains this has reduced from previous years data.

Staff satisfaction with extent work is valued by organisation

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
% of staff who were satisfied with the extent to which the organisation values their work	35.5%	37.3% ↑ (+1.8%)	32.5%	51.4%	43.5% ↓ (-7.9%)	43.6%	-6.2%

The staff survey results show an increase in the percentage of colleagues with a disability who are satisfied with the extent to which their organisation values their work and a significant decrease in non-disabled staff. There remains a disparity between colleagues with a disability and staff without feeling valued. The Trust is now 4.8% above benchmarking for disabled staff, an improvement of 1.9% against benchmarking compared to previous years data. The Trust is now 0.1% below benchmarking for non-disabled staff.

Adequate adjustments made for colleagues with a disability

	Disabled Staff 2021	Disabled Staff 2022	Benchmark 2022
% of staff with a long-lasting health condition or illness saying their employer has made adequate adjustment(s) to enable them to carry out their work	77.7%	78.9% ↑ (+1.2%)	71.8%

The staff survey data shows an increase in the percentage of colleagues who said their employer has made adequate adjustment(s) to enable them to carry out their work. The Trust is continuing to perform above benchmark.

Staff engagement

	Disabled			Non-disabled			Diff.
	2021	2022	Benchmark	2021	2022	Benchmark	
Staff engagement (0-10)	6.8%	6.6 ↓	6.4	7.1	6.9 ↓	6.9	-0.33

Staff engagement is a theme identified from the scores of questions relating to motivation, involvement, and advocacy. There has been an equivalent decline for both colleagues with and without a disability and while colleagues with a disability remains above benchmarking, staff not reporting a disability is now at benchmarking.

Board voting membership

The return shows that the Board voting membership has one disabled member, eight non-disabled members and six who are marked as unknown.

Actions to improve WRES and WDES findings

The Trust has a robust and comprehensive action plan in place to improve inclusion and this includes findings from our WRES and WDES data to ensure continuous learning and improvement. These actions are monitored through the Inclusion Steering Group and include:

- A programme called Driving Your Career has been launched and is aimed at bridging the gap between different colleagues groups and boosting confidence of those taking part.

- e are continuing to run inclusive leadership training across the Royal Devon. These programmes are designed to support the confidence in our leaders in supporting issues relating to equity and boost the chances of colleagues from less represented backgrounds to pass the application process.
- Engagement between the inclusion team and other teams across the organisation to support and highlight the different ways in which staff can speak up.
- Launch of the Staff Incident Group to begin sharing the outcomes from previously reported cases to increase safety for those reporting, and to evidence change.
- Establishment of a focus group to look at the lived experiences of staff with a disability and the ease with which they can access reasonable adjustments within the workplace.

Gender pay gap

From 2017, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. The Trust publishes a summary of its annual gender pay gap data, which can be found here.

It should be noted that no bonuses are paid within the Trust as part of pay packages; however, for the purposes of the gender pay gap report, advisory committee on clinical excellence awards (ACCEA) payments, part of a national scheme are classified as a bonus.

Other than for medical and dental colleagues (doctors and dentists), some apprentices, non-executive directors, and very senior managers (VSMs), all other jobs are evaluated using the national Agenda for Change (AfC) job evaluation scheme. This process evaluates the job and not the post holder and makes no reference to gender or any other personal characteristics of existing or potential job holders. VSM's include executive directors and a small number of other senior posts.

The data in this report is based on a snapshot taken on 31 March 2023. Throughout this report, when data is labelled "2024" this refers to the year of publishing our gender pay gap report (so the data is from 2023). Similarly, references to "2023" refer to the report that was published in 2023 but used data from 31 March 2022.

Women's hourly rate is:	
21.83% LOWER (mean)	**7.98%** LOWER (median)
Pay quartiles:	
How many men and women are in each quarter of the employer's payroll.	
Top quartile	
33.38% MEN	**66.62%** WOMEN
Upper middle quartile	
16.90% MEN	**83.10%** WOMEN
Lower middle quartile	
20.41% MEN	**79.59%** WOMEN
Lower quartile	
20.13% MEN	**79.87%** WOMEN
Women's bonus pay is:	
37.53% LOWER (mean)	**33.33%** LOWER (median)
Who received bonus pay:	
4.16% OF MEN	**0.52%** OF WOMEN

The table below shows our performance against the most recent official headline pay gap benchmarking, for all employers, from ONS:

	Pay gap based on mean average	Pay gap based on median average
National benchmark	13.2%	14.3%
Human Health Activities	17.5%	15.7%
Hospital Activities	16.8%	11.8%
Royal Devon Trust	21.8%	8.0%

The pay gap based on the median average is the most reliable and widely used measure of gender pay equality. When the pay gap is measured using the mean average, this allows outliers at either end to distort the measure.

The figures above indicate that the median gender pay gap for Royal Devon is significantly lower than both the national and industry specific benchmarks.

Comparison with the previous year's data shows that our pay gap using both the mean and the median indicator has continued to reduce. The equality gap with regards who receives bonus pay has also decreased with both the mean and median indicator but the pay gap in the average value of bonus pay remains high.

Modern Slavery Act 2015

In accordance with the Modern Slavery Act 2015, the Royal Devon University NHS Foundation Trust fully supports the Government's objectives to eradicate modern slavery and human trafficking and makes the following statement regarding the steps it is taking to ensure that modern slavery i.e. slavery and human trafficking, is not taking place in any part of its own business or any of its supply chains.

The Home Office Modern Slavery Statutory Guidance was updated in February 2024 to reflect many of the changes introduced through the Nationality and Borders Act. This statutory guidance is intended for staff in England and Wales within public authorities who may encounter potential victims of modern slavery and/or who are involved in supporting victims. The definition of Modern slavery has been updated (pg 19). Although NHS organisations are non-first responder's they must have regard to the Statutory Guidance and should work with First Responder Organisations to make referrals where potential victims of modern slavery are identified. They should be proactive in multi-agency information sharing, utilising their locally agreed Anti-Slavery partnership strategies to provide a consistent response to modern slavery victims to ensure they are identified and receive the available and appropriate support.

Identification, protection, care and support for victims of modern slavery is essential so that health staff can work proactively with a view to preventing modern slavery in all its forms.

Tackling modern slavery and human trafficking requires a collective, co-ordinated and sustained effort from a range of collaborating agencies, both statutory and non-statutory. No single agency or individual can eradicate modern slavery alone and this effective partnership working is essential.

The Trust's position on modern slavery is that modern slavery is a serious crime that violates human rights. Victims are forced, threatened or deceived into situations of subjugation, degradation and control which undermine their personal identity and sense of self.

The Trust will:

- Provide our workforce with knowledge and support of modern slavery and human trafficking so they identify indicators, take appropriate action and provide possible victims with appropriate protection and support, based upon their individual needs. Ensure our staff recognise that survivors of modern slavery may be at risk of re-trafficking and further harm.
- Comply with legislation and regulatory guidance and requirements.

Commit to ensuring that there is no modern slavery or human trafficking in any part of our business and, insofar as is possible, to requiring our suppliers to hold a corresponding ethos and make suppliers and service providers aware that we promote the requirements of the legislation.

Slavery and human trafficking statement for financial year 2023/24

During the last financial year the Trust took, and continues to take, the following:

- The Trust is a key partner in the Devon Torbay Cornwall and Plymouth Anti-Slavery Partnership which was been expanded this year to include Cornwall and Plymouth. This provides additional peninsula wide opportunities to work in partnership with statutory and non-statutory organisations to develop response, support and practice when victims of modern slavery are identified.
- The Trust is signatory of the Devon and Torbay Modern Slavery Adult Victims Referral/Support Pathway and is a signatory to this document. The Trust has adopted the Quick Guide to assist and enable staff to act appropriately in support of victims.
- The Trust has a number of controls in place to ensure compliance with employment legislation.
    - We confirm the identities of all new employees and their right to work in the United Kingdom.
    - All colleagues are appointed subject to references, health checks, immigration checks and identity checks. This ensures that we can be confident, before colleagues commence their duties, that they have a legal right to work within our Trust.

- We have a set of values and behaviours that colleagues are expected to comply with, and all candidates are expected to demonstrate these attributes as part of the selection process.
- By adopting the national pay, terms and conditions of service, we have the assurance that all staff will be treated fairly and will comply with the latest legislation. This includes the assurance that staff received, at least, the national minimum wage from 1 April 2015.
- Our Safeguarding Children and Safeguarding Adult policies provide guidance and support for staff when identifying and supporting those at risk of abuse including modern slavery and exploitation.
- Our policies and practices promote and support diversity and inclusion both as an employer and as a service provider; we recognise and acknowledge that diversity and inclusion are key corporate social responsibilities.
- Modern slavery is incorporated within our mandatory Safeguarding Children and Adults training from levels 1-3, which applies to all staff.
- The Trust intranet site includes information and support and links to the Statutory Guidance and the Modern Slavery helpline and website for further information. We also share information via our Safeguarding newsletter to raise awareness.
- The Safeguarding and MCA team includes practitioners with specialist knowledge, experience and skills to support, advise and supervise staff.
- Robust referral pathways are in place to raise concerns with Adult and Childrens Social Care and Multi Agency Safeguarding Hub's, all these are reviewed and quality assurance by the Safeguarding team. Performance data is collected.
- Our Freedom to Speak: Raising Concerns (Whistleblowing) Policy gives a platform for employees to raise concerns for further investigation, and our Freedom to Speak Up Guardians and Safeguarding teams actively ensure they are accessible to staff

Working with suppliers

- In addition, all other external agencies providing staff to the Trust have been approved through Government Procurement Suppliers (GPS). The Trust will audit and monitor agencies (via GPS) that provide staff once a year to ensure that they are able to provide evidence of identification, qualification and registration.
- Our standard terms and conditions require suppliers to comply with relevant legislation. A large proportion of the goods and services procured are sourced through Government supply frameworks and contracts which also require suppliers to comply with relevant legislation.

Royal Devon University Healthcare NHS Foundation Trust follows best practice guidance and works with multi agency partnerships to meet the regularity and statutory requirements of the Act and Code of Practice ensuring all reasonable steps are taken to prevent slavery and human trafficking and will continue to support the requirements of the Modern Slavery Act 2015, the Modern Slavery: Statutory Guidance for England and Wales (February 2024) and any future legislation.

Sustainability report

Task Force on Climate Related Financial Disclosures (TFCD)

NHS England's NHS foundation trust annual reporting manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of the sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TFCD aligned disclosure guidance for public sector annual reports.

TFCD recommended disclosures as interpreted and adapted for the public sector by HM Treasury aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England.

The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24 and these disclosures are provided below.

Governance pillar

Board oversight

The Board receives an annual report from the Sustainability Committee detailing the work undertaken by the Trust in accordance with its Green Plan. This also includes a risk assessment of Green Plan implementation conducted across the nine areas of focus. The green plan is a supporting strategy and a pillar of the overarching Trust's corporate strategy and the green plan, as well as the broader Trust strategic framework, are assessed at Board meetings.

The Board also receives climate related information from the estate strategy which incorporates plans to decarbonise Trust heat systems. Information in emergency preparedness polices and plans also include steps taken by management and staff to cope with weather events and these are incorporated into the adaption planning aspect of the green plan.

Managements role

The Board has assigned climate related responsibilities to the deputy chief executive officer. The senior management lead for sustainability is the Trust's business development director (a direct report of the deputy CEO) and they chair/vice chair a sustainability committee with representatives from clinical, operational and support areas of the Trust.

The day to day management, planning and reporting of the activities within the green plan is conducted by the Trust sustainability manager, a post reporting directly to the Trust business development director.

This core green team have established a wider network of green champions, the purpose of which is to help increase the capacity of work activity involved in green projects, to create a bottom up process for capturing grass roots initiatives and a top down approach for communicating corporate initiatives.

Finally, the core green team have integrated activity alongside the Trust Transformation team using sustainable QI principles and have begun the process of introducing environmental assessments into service evaluation and business case work. Information from these processes are reported through the six sustainability committee meetings per annum and oversight and assurance provided with in the annual sustainability reports received by the Board each year.

Introduction

The UK is committed to bring all its greenhouse gas emissions to Net Zero (NZ) by 2050[6]. Greener NHS is a national programme designed to align with these statutory targets and achieve our NZ from an ambitious set of NHS activities by 2040[7].

The Trust has developed a four-year Green Plan through to 2025, setting out how we can make a start on achieving our long-term sustainability goals. This plan is a supporting pillar of the Trust's Corporate Strategy, being delivered as part of the "Collaboration and Partnerships" objective with the deputy chief executive as Senior Responsible Officer (SRO) and led by the director of business, innovation and sustainability.

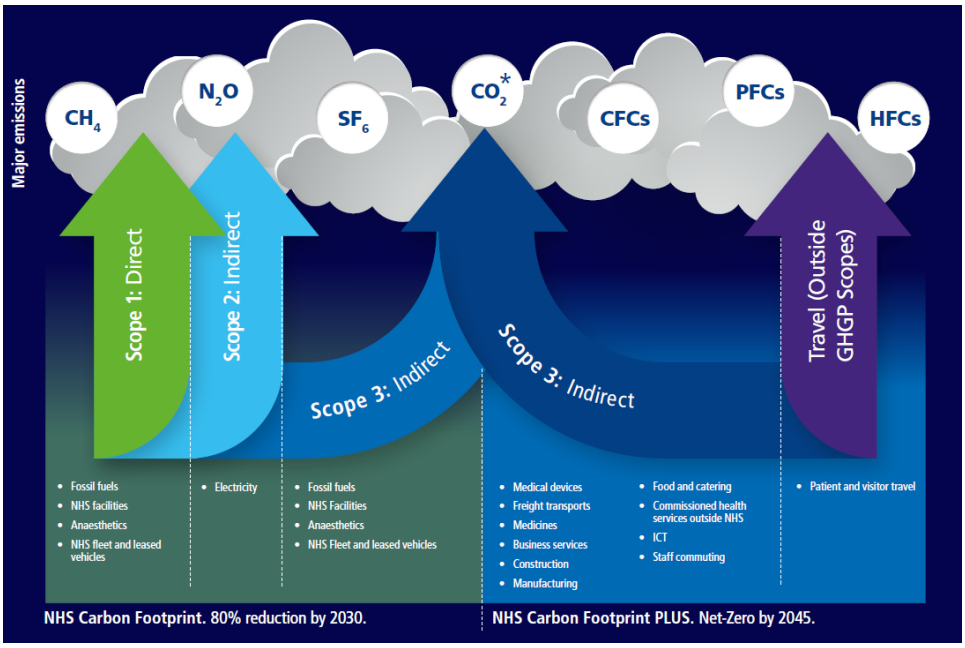
6 The Climate Change Act 2008 (2050 Target amendment) Order 2019.

7 By 2045 NZ for the NHS footprint including all emissions influenced but not directly controlled by the service.

There are three broad aims:

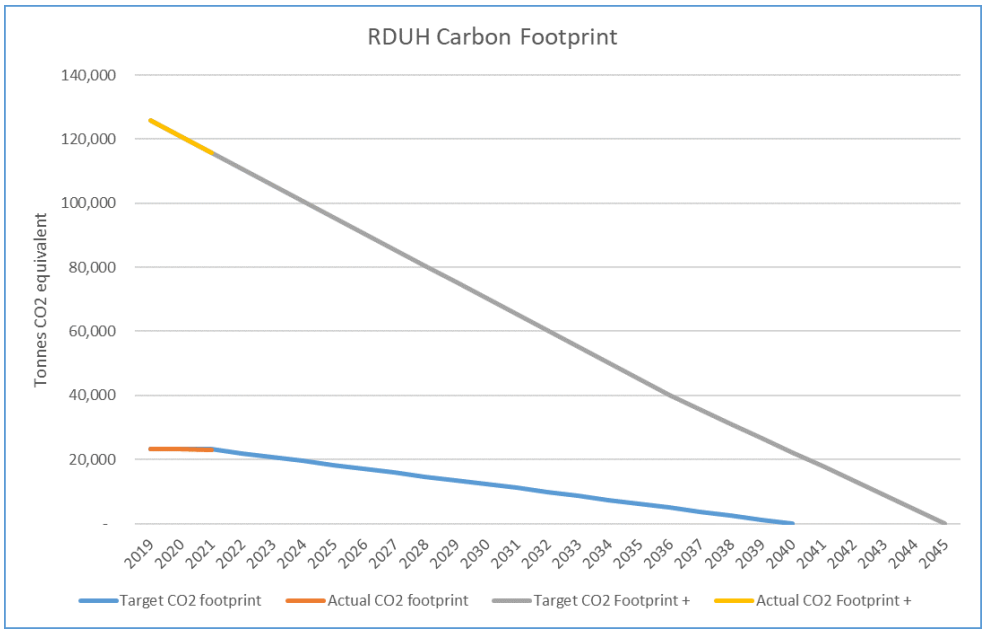
- Create the environment whereby the embodiment of sustainable healthcare practices becomes 'business as usual';
- Engage with our colleagues and anchor institution partners by taking a system leadership point of view; and
- Reduce our carbon footprint in line with the mandated targets.

The picture right explains where NHS emissions come from.



Our current carbon footprint (2023/24) is estimated to be 20,723 tonnes carbon dioxide equivalent (CO2e). Adding personal travel, medicines, medical equipment and supply chain our carbon footprint PLUS is 105,611 tonnes of CO2e.

Our ambition is to cut our footprints by 80% by 2030 (against 1990 baseline) and achieve carbon footprint NZ by 2040 and carbon footprint PLUS NZ by 2045. Whilst we continue to make incremental progress, our ability to make stepped change will be linked to the availability of capital funding to update our building and vehicle infrastructure.



Our Green Plan

The Green Plan is a work programme designed around a set of focus areas, each with a set of preferred outcomes. These are shown in the roadmap below.

These focus areas are helping the Trust to reduce carbon emissions, reduce costs and improve our impact on people and the environment. The updates below explain how we making progress across these focus areas.

Workforce engagement and system thinking

Our workforce engagement objective is to encourage sustainability reflection and embed this into our 'business as usual' activity.

Through a comprehensive engagement with staff the Trust can begin to harness the energies of those with a pre-existing ecological approach to their work or services. At the same time, we can foster a broader discussion around what is meant by sustainable services. We can consider if we over-use scarce resources and contribute to too much waste, whilst at the same time recognise that sustainable choices are often complex, involving important trade-offs. We aim to build a grass-roots driven, environmental change movement from inside the Trust.

This work has led to:

- The creation of a Green Champions Network
- A sustainability editorial campaign supporting awareness of environmental issues called "Scoop"
- The trial of a gamification app to support behaviour change called Choosing Greener
- A series of sustainability training initiatives for colleagues
- Opportunities for system thinking to solve some of the complex sustainability problems

Green Champions

There are 75 green champions across 39 different departments (both clinical and non-clinical colleagues) in the network. Champions are invited to monthly webinars showcasing new initiatives and providing an opportunity to share learning and communicate new ideas. The group are supported by the core sustainability team from a training, resource planning and environmental mentoring perspective. Work activities that are supported by the champions include:

- Greener Wards
- Pharmacy optimisation
- Pathology
- Energy and lighting

Communications

The Sustainability Scoop is a regular newsletter emailed

to colleagues, highlighting sustainability updates or projects, such as the use of 'Warpit' recycling and saving money by using reusable cups when ordering hot drinks at all hospital cafes and restaurants.

Choosing Greener

In November 2023 we launched the Choosing Greener app. The platform aims to encourage our colleagues to make more sustainable choices at work and home. Colleagues log a range of sustainable actions that earn green points, such as completing training, recycling or switching lights off. We track colleagues' sustainability engagement and reward them monthly for their efforts through six £20 gift vouchers for the top point scorers, including Love2Shop, M&S and Garden Gift vouchers. We have had over 250 colleague members sign up against our 12-month target of 500 members. We have completed more than 7,675 activities and the top ones being: vegetarian days, reusable cups and bottles, recycling and video conferencing.

System leadership

By working collaboratively with other stakeholders, teams begin to understand better the nature of the ecological problems we face and suggest new solutions.

A good example of this is the Exeter energy network collaboration arising from the Trust's participation in the Exeter Civic Partnership Agreement with the University of Exeter, Exeter City Council and Exeter College. This collaboration is explored as a case study in the 'Resource Usage' section.

Other examples of system thinking that cross-cut with sustainability include the award of an NIHR infrastructure grant to set up a Health Technology Research Centre based in Exeter. This centre is one of 14 based across England but the only one with a dedicated theme focused on sustainable health innovations and services.

The Trust is also collaborating on a University of Exeter led consortium bid to establish a hub for researching the health benefits arising from the journey to NZ. Adding to the research base in this area is an important part of changing people's attitudes and shifting the mindset from seeing NZ as a central government target to the realities of local health improvement.

Colleague ideas

Engagement with colleagues through the Brilliant Ideas programme is a grass roots initiative which has led to a significant proportion of feedback relating to environmental improvement. Many of these ideas have been organised into a Green Wards initiative.

Case Study – Greener Wards

The following areas for change have been trialled as a result of staff feedback:

Continence products – it's been found that both incontinence pads and personal wear pads are being used simultaneously when usually only one is needed.

Side room consumable stocks – as consumables need to be discarded when a patient leaves a side room, colleagues are encouraged to only store whatever is needed close to the patient.

Colleague use of paper cups – Reducing and removing paper cups on the wards for colleague Ward use – colleagues are asked to provide their own water bottles as needed. Some wards have already implemented this as a policy with good results.

Cleaning/sanitising products – Encouraging colleagues to only order and stock what is needed for a few weeks in advance. Stock cupboards have been found containing, at times, sufficient for almost a year with some out-of-date items and more being constantly ordered.

Top-up audit – out of date stock has been found on many wards – as well as examples of items on top up which are regularly delivered but seldom needed.

Discharge packs – its strongly recommended that each ward consider building lists of items for discharge packs where relevant – this contrasts with staff taking handfuls of items to send a patient home with when these items are either not needed or will be supplied in the community.

Encouraging consumable stock from **tissue viability cupboards** after a correct assessment of a wounds' needs. Some wards are raided for a range of items, many of which end up being thrown away.

IV giving sets – These last up to 72 hours, if a patient is expected to receive more fluids there is no automatic need to replace the set as well as obtaining a fresh bag.

Savings from these trials are expected to grow through scaling the initiatives across wards led by clinical green champions.

The initiative includes asking for each ward to reduce their linen usage by 10%. In light of a restated Linen policy this is easily achievable and will reduce water and fuel use as well as lower CO2 emissions. Linen does not need to be changed every day, or for patients expected to be imminently discharged. Linen provision stats are available for each ward and with effect from 1 April 2024, 10% will be reduced from each wards' daily delivery.

Travel and transport

In October the Sustainability team launched a foldable e-bike trial to give colleagues the opportunity of a testing out a foldable e-bike for one month. 12 colleagues have tried the e-bikes so far, with a further 106 expressing an interest. Currently there are two bikes in Barnstaple and three in Exeter.

The Sustainability team is currently looking at other options to increase the availability of e-bikes to colleagues, including a subscription e-bike salary sacrifice scheme.

> 'It's been brilliant, it's made traveling into work and home that much more enjoyable. I was offered a lift to Exmouth at the weekend and opted to ride instead as it's just so much nicer getting out in the fresh air both physically and mentally.'
>
> Exeter based colleague

> "I have cycled to work days on average three days out of four... "... I can always find somewhere to park my bike, and can then shower at work It has been really good knowing that I am saving on fuel and parking, and being better for the planet. I also had the very lucky experience of stopping my bike on the Tarka trail to film a murmuration of starlings that was happening right next to me. I would not have seen that in my car! "
>
> Barnstaple based colleague

Following a green fleet review the Estates and Facilities team is preparing to procure an EV fleet, where operationally appropriate and subject to funding. In Barnstaple we have installed seven charge points for our estate vehicles to use, as well as four charge points for visiting clinicians. In Exeter six charge points are installed for our fleet and eight newly installed for staff use at the Trust's Digby park and ride service.

The Trust's Travel to work group have continued to encourage more sustainable commuting choices, including a daily charge for staff choosing to drive onto our main hospital sites, whilst retaining subsidised bus fares and a free park and ride service operating at the Wonford Hospital site.

Digital

Case study – Digital First

The Royal Devon has histocially spent £1.3m per annum on printing and postage on approximately 2 million patient letters and associated information leaflets, which incorporates a combination of in-house processes completed by Trust colleagues and work undertaken by an external supplier.

The patient communications project was launched in February 2024, using the MyChart portal to communicate electronically with the 120,000 patients that have signed up. This intends reduce the cost and boost the efficiency of trust-to-patient communications, as well as to reduce the amount of paper and print cartridges.

- Expansion to all letters becoming digital
- Print post and 2-way SMS tender process and contract award
- Implementation of external print-post and 2-way SMS

Sustainable models of care

Revisiting the complete end to end care pathway across a patient journey presents an opportunity to identify efficiencies that can lead to cost reduction, productivity gains and environmental benefits.

During 2023/24 a major review of a urology care pathway was undertaken by registrar Dr Joseph John, under the supervision of consultant Mr John McGrath.

Case Study – end to end Urology pathway

One of the Trusts registrars, the Urology GIRFT (get it right first time) Fellow Dr Joe Joseph completed a major end to end patient journey pathway analysis with a series of recommendations for efficiency and environmental improvement.

This work was able to identify reduced need for energy, consumables and redesign parts of the pathway to improve patient experience through more efficient and less frequent visits to outpatients and pre-surgical assessment and one-stop treatment days. The revised pathway has been approved by GIRFT and is presented nationally as the preferred method for bladder cancer surgery.

Adoption of this work by clinical colleagues across the country will have a significant impact on patients, Trust efficiency and the environment.

Estates – building carbon

There are four steps outlined in the NHS Estates approach to buildings decarbonisation; by investing nearly £14m in this area the Trust has made progress across each step:

- Step one – make every kWh or m3 count
- Step two – prepare for electricity-led heating
- Step three – switch to non-fossil fuel heating
- Step four – increase on-site renewables

The Trust has replaced more than 16,000 lights with high efficiency LEDs and work is underway to develop a business case for replacing those remaining.

We have also installed significant solar PV arrays across Trust sites – enough to run 216 average sized homes.

Several large grants have been won to support the Trust's efforts to reduce emissions from heat, including technical studies to investigate efficiency improvements at the RD&E Wonford and Heavitree Hospitals. We have also made significant progress with partner agencies in understanding a preferred way forward for our future heat decarbonisation with an outline business case expected to be completed during 2024/25.

The Trust purchases power from the National Grid that is zero carbon and 100% certified renewable. Through 2024 the Trust is investigating the feasibility of using low or zero carbon fuels in its fleet of backup energy generation plant.

Resource usage and associated emissions

The table below shows the most recent carbon emissions from its energy usage against the 2013 base year.

		2013 (base year)	2022/23	2023/24
Scope 1	Gas	8,995	15,804	16,381
	Oil	997	63	152
	Biomass	0	14	16
Scope 2	Electricity	14,948	2,102	2,212
	Total (t/CO2e)	**24,939**	**17,983**	**18,762**

Table shows Scopes 1 & 2 tonnes of CO2e, as defined by Greenhouse Gas Reporting Protocol.

- Gas emissions have increased due to the Trust increasing its amount of onsite electricity generated from natural gas.
- Oil is required for back up fuel, resulting in residual emissions from testing equipment and emergency usage.
- The reported electricity emissions arise from purchase of electricity from the National Grid. These have substantially decreased because the Trust creates most of its electricity on site, using gas-fuelled generators and solar PV. As the National Grid decarbonises the residual electricity emissions will reduce.

Biodiversity

The Trust continues to advance its approach to biodiversity with the development of a recommended planting list that details pollinator friendly plants and trees to be used around the estate. The 2022/23 annual report recorded 25,000m2 (four football pitches' worth) of land across the estate as being managed in a way that enhances biodiversity. Throughout 2023/24 a further 1,700m2 of grass areas were designated as "reduced mowing zones" at the Wonford site, more areas are scheduled to be added next year.

No-Mow" area at Wonford Linen Decontamination Unit

Medicines

The Trust no longer uses Desflurane, the most pollutant of all the anaesthetic gases, across any of its sites. Other anaesthetic volatile agents - the halogenated hydrocarbons- have seen their harmful impact reduced due to an increase in the use of total intravenous anaesthesia (TIVA).

Case study – Anaesthesia

Volatile anaesthesia is a significant contributor to the carbon footprint of healthcare. Around 5% of hospital emissions are from inhalational anaesthetic. Nitrous Oxide (N2O) has a Global Warming Potential (GWP) 298 times more than CO2 and is the third highest UK greenhouse contributor.

The department has made substantial progress in eliminating Nitrous Oxide with the Trust's Eastern division decommissioning its N2O manifold and pipework.

This work led to an 80% reduction in N2O usage in anaesthesia saving 158 tonnes of CO2e, equivalent to 588,412 miles driven by car.

The work of the department has been recognised both locally in Exeter and nationally winning the Towards Net Zero award at the 2023 HSJ Green Awards.

Supply chain and procurement

With 60% of NHS emissions coming from procurement related activities, new rules are in place requiring all NHS Trust's to have a minimum of 10% weighting applied to social value criteria in tenders. Proposals for the roll-out of this criteria are being incorporated into procurement policies. From April 2024 we will adopt PPN 06/21 for all contracts not just contracts over £5 million.

Adaptation

Despite effort to reduce future harmful emissions, the effects of past activity are predicted to make further climatic changes inevitable and we therefore need to make plans for our services and infrastructure to adapt to these events.

The latest science (UK climate predictions 2018) suggest we can expect wetter, warmer winters and hotter, drier summers with an increased frequency of extremes.

The Trust has not begun work on developing its adaption plan to date but wished to integrate this with the emerging estates strategy master-planning exercise. The identification of mitigating factors for emerging environmental risks will lead to adaption plans for our services, our buildings, emergency planning and liaison with local partners.

Future priorities

The plan for 2024/25 concentrates our efforts across five key areas:

1. Growing our Green Champions network
2. Integrating our work with other closely related initiatives
3. Work to ensure policy driven change is adopted
4. Completion of major priority projects
5. Building on existing work around carbon measurement techniques

ROYAL DEVON UNIVERSITY HEALTHCARE NHS FOUNDATION TRUST

ANNUAL ACCOUNTS

YEAR ENDED 31 MARCH 2024

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Statement of the Chief Executive's responsibilities as the Accounting Officer of the Royal Devon University Healthcare NHS Foundation Trust

The National Health Service Act 2006 (NHS Act 2006) states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England has given Accounts Directions which require the Royal Devon University Healthcare 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 the Royal Devon University Healthcare NHS Foundation Trust and of its income and expenditure, items of comprehensive income and cash flows for the financial year.

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

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

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

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed:

Sam Higginson - Chief Executive

Date: 26 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF ROYAL DEVON UNIVERSITY HEALTHCARE NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Royal Devon University Healthcare NHS Foundation Trust ("the Trust") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2024 and of the Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in February 2024 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to either cease the Trust's services or dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the Trust over the going concern period.

Our conclusions based on this work:

- we consider that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the Accounting Officer's assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and internal audit and inspection of policy documentation as to the Trust's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Trust's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls in particular the risk that Trust management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the non-complex nature of the funding provided to the Trust during the year. We therefore assessed that there was limited opportunity for the Trust to manipulate the income that was reported.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals. We consider this risk to be applicable to non-payroll and non-depreciation expenditure.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unexpected account pairings with revenue, expenditure, capital, cash and borrowings and post close journals.
- For a selection of cash payments and purchase invoices in the period post 31 March 2024, verified that the expenditure had been recognised in the correct accounting period to which the expenditure related.
- Evaluating a sample of accruals posted as at 31 March 2024, performing a retrospective review to the prior period accruals to evaluate the completeness of the current year accrual.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Accounting Officer and other management (as required by auditing standards), and from inspection of the Trust's regulatory and legal correspondence and discussed with the Accounting Officer and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Trust is subject to laws and regulations that directly affect the financial statements, including the financial reporting aspects of NHS legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Accounting Officer is responsible for the other information, which comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in all material respects, in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 2, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to either cease the services provided by the Trust or dissolve the Trust without the transfer of its services to another public sector entity.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our

opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

As explained more fully in the statement set out on page 173, the Accounting Officer is responsible for ensuring that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have planned our work and undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure which is unlawful, or is about to take, or has taken, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in this respect.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Royal Devon University Healthcare NHS Foundation Trust for the year ended 31 March 2024 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Rees Batley

for and on behalf of KPMG LLP

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

26 June 2024

FOREWORD TO THE ACCOUNTS

These accounts, for the year ended 31 March 2024, have been prepared by Royal Devon University Healthcare NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed:

Sam Higginson - Chief Executive

Date: 26 June 2024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Note	2023/24 £000	2022/23 £000
Income from activities	3	**970,731**	906,391
Other operating income	4	**135,560**	120,800
Operating income		**1,106,291**	1,027,191
Operating expenses	5	**(1,123,586)**	(1,041,168)
Operating deficit		**(17,295)**	(13,977)
Finance costs			
Finance income	10	**2,854**	1,549
Finance expense	11	**(3,016)**	(2,880)
PDC dividends payable		**(12,405)**	(10,760)
Net finance costs		**(12,567)**	(12,091)
Other (losses) / gains	12	**(300)**	3
Gains arising from transfers by absorption	31	**-**	113,033
(Deficit) / surplus for the year		**(30,162)**	86,968
Other comprehensive income			
Revaluation gains and impairment on property, plant and equipment	16.3	**-**	18,441
Total comprehensive (deficit) / surplus for the year		**(30,162)**	105,409

The Trust's adjusted operational deficit, as monitored by NHSE, was £26,845k. Note 32 to the Accounts provides a reconciliation between the surplus reported on the Statement of Comprehensive Income and the operational deficit that the Trust reports to NHSE.

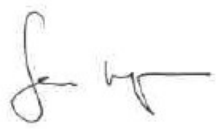
The 2022/23 surplus includes £113,033k of gains from the transfer by absorption following the merger by acquisition with the Northern Devon Healthcare Trust (NDHT). The figure represents the value of NDHT net assets transferred as part of the merger on the 1st of April 2022.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	31 March 2024 £000	31 March 2023 £000
Non-current assets			
Intangible assets	15	**48,979**	58,621
Property, plant and equipment	16	**460,059**	421,298
Right of Use Assets	17	**56,844**	54,580
Investment in joint venture	18	**5**	5
Trade and other receivables	20	**1,606**	3,075
Total non-current assets		**567,493**	537,579
Current assets			
Inventories	19	**15,795**	15,624
Trade and other receivables	20	**60,027**	60,185
Cash and cash equivalents	24	**23,641**	46,033
Total current assets		**99,463**	121,842
Current liabilities			
Trade and other payables	21	**(111,647)**	(103,323)
Borrowings	22	**(21,300)**	(16,676)
Provisions	23	**(262)**	(295)
Other liabilities	21	**(7,828)**	(17,892)
Total current liabilities		**(141,037)**	(138,186)
Total assets less current liabilities		**525,919**	521,235
Non-current liabilities			
Borrowings	22	**(94,236)**	(102,694)
Provisions	23	**(965)**	(1,276)
Total non-current liabilities		**(95,201)**	(103,970)
Total assets employed		**430,718**	417,265
Financed by taxpayers' equity			
Public dividend capital		**405,219**	361,604
Revaluation reserve		**50,137**	52,384
Income and expenditure reserve		**(24,638)**	3,277
Total taxpayers' equity		**430,718**	417,265

The notes on pages 13 to 41 form part of these accounts.

The Annual Accounts on pages 9 to 41 were approved by the Board of Directors on 26 June 2024 and signed on its behalf by:



Sam Higginson - Chief Executive

Date: 26 June 2024

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	**Total**
	£000	£000	£000	**£000**
Taxpayers' equity at 1 April 2022	231,681	40,342	21,743	**293,766**
Surplus for the year	-	-	86,968	**86,968**
Transfers by absorption: transfers between reserves	111,833	9,557	(121,390)	**-**
Transfers between reserves	-	(14,078)	14,078	**-**
Impairments	-	(671)	-	**(671)**
Revaluations - land and buildings	-	19,112	-	**19,112**
Other reserve movements	-	(1,878)	1,878	**-**
Public dividend capital received	18,090	-	-	**18,090**
Taxpayers' equity at 31 March and 1 April 2023	361,604	52,384	3,277	**417,265**
Deficit for the year	-	-	(30,162)	**(30,162)**
Other reserve movements	-	(2,247)	2,247	**-**
Public dividend capital received	43,615	-	-	**43,615**
Taxpayers' equity at 31 March 2024	**405,219**	**50,137**	**(24,638)**	**430,718**

Public dividend capital ("PDC")

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. It also includes additional PDC issued by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health and Social Care as a public dividend capital dividend. PDC has no fixed capital repayment period.

Revaluation reserve

The reserve reflects movements in the value of purchased property, plant and equipment and intangible assets as set out in the accounting policies.

Income and expenditure reserve

The reserve is the cumulative surplus / (deficit) made by the Trust since its inception. The reserve cannot be released to the Statement of Comprehensive Income.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	Note	2023/24	2022/23
		£000	£000
Cash flows from operating activities			
Operating (deficit)		**(17,295)**	(13,977)
Non-cash income and expense			
Depreciation and amortisation		**41,722**	38,080
Impairments		**3,078**	10,439
Decrease / (increase) in trade and other receivables		**1,284**	(13,816)
(Increase) in inventories		**(171)**	(2,349)
(Decrease) / increase in trade and other payables		**(13,971)**	12,102
(Decrease) / increase in other liabilities		**(10,064)**	325
(Decrease) / increase in provisions		**(348)**	405
Income recognised in respect of capital donations		**(638)**	(1,954)
Net cash generated from operations		**3,597**	29,255
Cash flows from investing activities			
Interest received		**2,854**	1,549
Purchase of intangible assets		**(1,811)**	(14,489)
Purchase of property, plant and equipment		**(42,533)**	(53,622)
Sale of property, plant and equipment		**-**	3
Receipt of cash donations to purchase capital assets		**929**	1,663
Net cash used in investing activities		**(40,561)**	(64,896)
Cash flows from financing activities			
PDC received		**43,615**	18,090
Loans received		**-**	854
Loans repaid		**(5,809)**	(5,876)
Capital element of finance lease liability payments		**(6,779)**	(6,685)
Interest paid		**(4,199)**	(2,453)
PDC dividend paid		**(12,256)**	(11,176)
Net cash used in financing activities		**14,572**	(7,246)
(Decrease) in cash and cash equivalents		**(22,392)**	(42,887)
Cash and cash equivalents at 1 April		**46,033**	68,575
Received from transfer by absorption		**-**	20,345
Cash and cash equivalents at 31 March	24	**23,641**	46,033

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Going concern

International Accounting Standard 1 (IAS 1) requires the Board to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. In the context of non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future is normally sufficient evidence of going concern. The financial statements should be prepared on a going concern basis unless there are plans for, or no realistic alternative other than, the dissolution of the Trust without the transfer of its services to another entity within the public sector. The Directors have a reasonable expectation that the Trust will continue to provide its services in the future. Therefore, these accounts have been prepared on a going concern basis.

In preparing the financial statements, the Board of Directors have considered the Trust's overall financial position. The Trust has produced a financial plan for 2024/25 and has prepared a cashflow forecast to the end of June 2025. From the financial modelling undertaken the Trust is expecting to require cash support to cover its requirements for this period. This will be in the form of Provider Revenue Support Public Dividend Capital with no set repayment date.

Based on the factors outlined above, the Board of Directors has a reasonable expectation that the Trust will have access to adequate resources to continue to deliver the full range of mandatory services for the 12 months from the date of approval of the financial statements and fulfil any liabilities as they fall due.

1.1 Income recognition

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.1 Income recognition (continued)

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive (API) contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by NHS England based on actual usage or at a fixed baseline in addition to the price of the related service.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.2 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees.

Pension costs

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

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

1.3 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.4 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Intangible assets are capitalised when they are capable of being used in the Trust's activities for more than one year and have a cost of at least £5,000.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Measurement and revaluation

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

The fair value of IT In-house and 3rd Party Software and AUC included within intangible assets is determined where necessary by a valuation undertaken by a professionally qualified independent valuer. Valuations are carried out primarily on the basis of depreciated replacement cost, where the asset is a non-cash generating asset. The frequency of the revaluation is dependent on the change in the fair value of the intangible asset. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment (see note 1.5).

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Intangible assets (continued)

Amortisation and impairment

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

The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Software

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Purchased computer software licences are capitalised as intangible assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the licence and their useful lives.

Asset category	Useful life (years)
Software licences	3 - 15

Research and development

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

Where possible the Trust will disclose the total amount of research and development expenditure charged in the Statement of Comprehensive Income separately. However, where research and development activity cannot be separated from patient care activity it cannot be identified and is therefore not separately disclosed.

Other property, plant and equipment assets acquired for use in research and development are amortised over the life of the associated project.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment

Recognition

Property, plant and equipment are capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably and;
- has an individual cost of at least £5,000; or
- the items form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, 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
- form part of the initial equipping and setting-up costs of a new building or on refurbishment, may also be "grouped" for capitalisation purposes.

Measurement and revaluation

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

Property assets

The fair value of land and buildings is determined by valuations carried out by professionally qualified valuers in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property based upon providing a modern equivalent asset. Existing use value is used for non-specialised operational property. For non-operational properties, including surplus land, the valuations are carried out at open market value. The frequency of revaluation is dependent upon changes in the fair value of property assets however, in line with NHS England's view, the frequency of property asset revaluations will be at least every five years. Note 16.3 provides details of the most recent valuation which was undertaken.

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

Assets under construction are valued at cost and may subsequently be revalued by professional valuers when brought into use or when factors indicate that the value of the asset differs materially from its carrying value.

Non-property assets

For non-property assets the depreciated historical cost basis has been adopted as a proxy fair value.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment (continued)

Subsequent expenditure

Expenditure incurred after items of property, plant and equipment have been brought into operation, such as repairs and maintenance, is normally charged to the Statement of Comprehensive Income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of an item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives are determined on a case by case basis. The typical lives for the following assets are:

Asset category	Useful life (years)
Buildings excluding dwellings	6 - 59
Dwellings	20 - 23
Plant and machinery	4 - 20
Transport equipment	5 - 20
Information technology	3 - 15
Furniture & fittings	5 - 10

Freehold land is considered to have an infinite life and is not depreciated.

The excess depreciation on revalued assets over the historical cost is gradually released from the revaluation reserve to the income and expenditure reserve over the life of the asset. On disposal of the asset any remaining revaluation reserve balance is fully released to the income and expenditure reserve.

Impairment

The carrying values of property, plant and equipment assets are reviewed for impairment when events or changes in circumstances indicate their carrying value may not be recoverable.

Decreases in asset values that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount which is to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

Increases in asset values arising from revaluation are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, such reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have been if the original impairment had never been recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment (continued)

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met. Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.6 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

1.7 Inventories and work in progress

Inventories and work in progress are valued at the lower of cost and net realisable value. Cost is determined using a first in, first out method.

Provision is made where necessary for obsolete, slow moving and defective inventories and work in progress.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.8 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of where it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount required to settle the obligation. The Trust uses HM Treasury's pension rate of 2.45% (2022/23 1.70%), in real terms, as the discount rate for early retirement and injury benefit provisions.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Provisions (continued)

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 23, but this value is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

1.9 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.10 Contingent liabilities

The Trust has contingent liabilities in respect of NHS Resolution legal claims arising in the normal course of activities. Where the transfer of economic liabilities in respect of legal claims is possible the Trust discloses the estimated value as a contingent liability in note 26.

1.11 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note, note 29, to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

1.12 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed regulation. By their nature they are items that ideally should not arise. They are therefore subject to specific control procedures compared with the generality of payments. They are divided into different categories, which govern the way the individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed.

Accounting judgement - Modern Equivalent Asset valuation

The majority of the Trust's estate is considered to be specialised assets as there is no open market for an acute hospital. The modern equivalent asset valuation is based on the assumption that any modern equivalent replacement hospital would be built on an alternative site within the Exeter locality. Specialised land and buildings relating to the Northern locations continue to be valued using their site's current locations. Note 16.3 provides details for the basis of the valuation and the professional valuers whom undertook the valuation.

The last full revaluation of the Trust's land, buildings and dwellings was undertaken by Gerald Eve as at 31 March 2023. Their report states that the valuation is not reported as being subject to 'material valuation uncertainty' as defined by the RICS Valuation - Global Standards.

The Trust has undertaken some sensitivity analysis to understand the potential impact on materiality. The table below sets out at a high level sensitivity assessment of the valuation of the Trust's land, buildings and dwellings, using a 5% tolerance. The 31 March 2023 balances have been used as the baseline as this was the last time a full revaluation was undertaken.

Assumption	Baseline value £'000	Sensitivity (+ 5%) £'000	Sensitivity (- 5%) £'000
Land	18,482	924	(924)
Freehold buildings (excluding dwellings)	288,481	14,424	(14,424)
Freehold dwellings	3,376	169	(169)

Accounting judgement - Intangible Asset valuation

The intangible asset relating to the Electronic Patient Record (EPR) system has been valued on a depreciated replacement cost basis – the valuation has been based upon an external valuation. Note 15.2 provides details for the basis of the valuation.

Revisions to accounting estimates are recognised in the period in which the estimate is revised.

1.14 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is £nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

Initial recognition and measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Leases (continued)

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

Initial application of IFRS 16 in 2022/23

IFRS 16 *Leases* as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an arrangement contains a lease and other interpretations.*

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contain options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets has a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the Trust, is paid over 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.

Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care. This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts. The dividend charge would not be revised should any adjustments to net assets occur as a result of any changes between the draft and audited accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for 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, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'loans and receivables'. Financial liabilities are classified as 'other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the statement of financial position date, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Financial instruments and financial liabilities (continued)

Impairment of financial assets

At the statement of financial position date, the Trust assesses whether any financial assets are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision that is determined specifically on individual assets.

1.17 Corporation tax

The Trust is a Health Service Body within the meaning of s519A of the Income and Corporation Tax Act 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for HM Treasury to dis-apply the exemption in relation to specified activities of an NHS foundation trust (s519A (3) to (8) of the Income and Corporation Taxes Act 1988). Accordingly, the FT is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum. Until the exemption is dis-applied then the FT has no corporation tax liability.

1.18 Consolidation of NHS charitable funds

The Trust is the Corporate Trustee of the Royal Devon University Healthcare NHS Foundation Trust Charity. The Charity has not been consolidated within these annual accounts as the value of the Charity is low and consolidation into the Trust's accounts would have no material effect. Further information relating to transactions between the Trust and the Charity is disclosed in note 27.

1.19 Interests in other entities

Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

1.20 Transfers of functions to / from other NHS bodies

For functions that have been transferred to the Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised as a transfer by absorption within the Statement of Comprehensive Income, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts. Adjustments to align the acquired assets / liabilities to the foundation trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Further information relating to these types of transactions is disclosed in note 31.

2. Segmental analysis

The Chief Operating Decision Maker, who is responsible for the allocation of resources and the assessment of the performance of operating segments has been identified as the Trust's Board of Directors.

Throughout the financial year the Trust's Board of Directors received a monthly integrated performance report that provides information against key standards and targets. The report includes financial performance information which has assisted the Board of Directors with their financial decisions. The monthly information provided to the Board of Directors is similar to the primary statements within these accounts.

The Board of Directors receives financial information at Trust level, no additional segmental reporting information is therefore required to be disclosed in the Accounts.

NOTES TO THE ACCOUNTS

3. Income from activities

	2023/24 £000	2022/23 £000
Income from commissioners under API contracts (fixed and variable)*	**715,181**	621,175
High cost drugs and devices income from commissioners	**108,465**	103,824
Other NHS clinical income	**6,771**	2,991
Private patient income	**2,924**	2,455
National pay award central funding**	**440**	21,728
Other clinical income	**-**	159
Elective Recovery Fund (comparative only)***	**-**	24,627
Community services income	**109,425**	104,303
Additional pension contribution central funding****	**27,525**	25,129
	970,731	906,391

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023-25 NHS Payment Scheme documentation.
https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/

**Additional funding was made available by NHS England in 2023/24 and 2022/23 for implementing the backdated element of pay awards where government offers were made at the end of the financial year. 2023/24: In March 2024, the government announced a revised pay offer for consultants, reforming consultant pay scales with an effective date of 1 March 2024. Trade Unions representing consultant doctors accepted the offer in April 2024, the 2023/24 Accounts include the associated income and expenditure relating to this accepted pay offer. 2022/23: In March 2023, the government made a pay offer for staff on agenda for change terms and conditions which was later confirmed in May 2023. The additional pay for 2022/23 was based on individuals in employment at 31 March 2023.

***2023/24 Elective Recovery Fund income is included within 'Income from commissioners under API contracts' category as required by NHS England.

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

3.1 Income from activities - by source

	2023/24 £000	2022/23 £000
NHS England	**217,040**	227,079
Clinical commissioning groups	**-**	154,558
Integrated care boards	**742,205**	511,040
NHS providers	**26**	691
Local authorities	**7,568**	9,106
Department of Health and Social Care	**-**	20
Non-NHS - private patients	**2,261**	1,847
Non-NHS - overseas patients (non-reciprocal)	**663**	718
NHS injury scheme	**752**	1,006
Non-NHS - other	**216**	326
	970,731	906,391

NHS Injury Scheme income is subject to a provision for doubtful debts of 23.07% (2022/23 - 24.86%) to reflect expected rates of collection based upon historical experience.

3.2 Income from activities - commissioner requested services

The Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2023/24 £000	2022/23 £000
Income from services designated as commissioner requested services	**959,245**	892,677
Income from services not designated as commissioner requested services	**11,486**	13,714
	970,731	906,391

NOTES TO THE ACCOUNTS

3.3 Income from overseas visitors

	2023/24 £000	2022/23 £000
Income recognised this year	**663**	718
Cash payments received in-year	**300**	284
Amounts written off in-year	**149**	123

4. Other operating income

	2023/24 £000	2022/23 £000
Research and development	**27,773**	24,298
Education and training	**34,319**	26,699
Charitable and other contributions to expenditure and for the purchase of capital assets	**755**	2,329
Non-patient care services to other bodies	**46,199**	33,379
Staff recharges	**8,972**	8,397
Reimbursement and top up funding *	**-**	4,499
Rental revenue from operating leases	**6**	6
Consumables (inventory) donated from DHSC group bodies for COVID response	**264**	1,167
Car Parking income	**2,591**	1,937
Catering	**3,116**	2,530
Staff accommodation rental	**967**	997
Non-clinical services recharged to other bodies	**1,953**	4,704
Crèche services	**1,329**	868
Other income**	**7,316**	8,990
	135,560	120,800

* 2022/23 Reimbursement and top up funding includes the reimbursement of COVID-19 costs such as testing and vaccinations.

**Other income includes pharmacy sales, staff contribution to employee benefit schemes, National Clinical Excellence Awards income as well as one-off income benefits (2023/24) and Community and Cancer Services funding (2022/23 only).

5. Operating expenses

	2023/24 £000	2022/23 £000
Services from NHS and DHSC bodies	**6,972**	4,935
Services from non-NHS and non-DHSC bodies	**19,006**	16,114
Purchase of social care	**448**	-
Employee expenses - executive directors (see note 5.1)	**2,025**	1,643
Employee expenses - non-executive directors (see note 5.1)	**170**	177
Employee expenses - staff	**670,076**	628,880
Drug costs	**126,537**	108,189
Supplies and services - clinical (excluding drug costs)	**87,631**	86,939
Supplies and services - general	**17,045**	17,010
Establishment	**18,306**	16,616
Research and development - not included in employee expenses	**18,742**	17,011
Research and development - included in employee expenses (see note 6.1)	**7,126**	6,613
Education and training - not included in employee expenses	**2,472**	2,435
Education and training - included in employee expenses (see note 6.1)	**31,288**	19,423
Transport	**6,638**	5,249
Premises	**30,016**	26,674
Increase in bad debt provision	**332**	247
Depreciation on property, plant and equipment and right of use assets	**33,012**	29,965
Amortisation of intangible assets	**8,710**	8,115
Impairments - buildings and plant and machinery	**470**	5,118
Impairments - intangibles	**2,608**	5,321
Audit fees - statutory audit	**133**	135
Internal audit fees	**461**	278
Clinical negligence - amounts payable to NHS Resolution (premium)	**25,460**	22,407
Losses, ex gratia and special payments - non staff costs	**83**	514
Consultancy	**87**	828
Lease expenditure - short term leases	**1,106**	2,018
Other	**6,626**	8,314
	1,123,586	1,041,168

"Other expenditure" above includes finance lease irrecoverable VAT expenditure, patient travel, car parking, security, insurance and legal fees.

The total employer's pension contributions are disclosed in note 6.1.

NOTES TO THE ACCOUNTS

5.1 Directors' remuneration and other benefits

	2023/24 £000	2022/23 £000
Aggregate directors' remuneration	**2,108**	1,740
Employer's contribution to pension scheme	**87**	80
Total	**2,195**	1,820

In the year ended 31 March 2024 six directors accrued benefits under defined benefit pension schemes (2022/23 - five).

5.2 Auditor's remuneration

The audit fee was £133k in 2023/24 (2022/23 - £135k), this includes £6k for the audit of the Trust's charity.

5.3 Auditor's liability

The Board of Governors has appointed KPMG LLP as external auditors. The engagement letter signed on the 3rd June 2020 states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed 125% of the annual fee in the aggregate in respect of all services (2022/23 - 125% of the annual fee).

6. Staff costs and numbers

6.1 Staff costs

	2023/24 £000	2022/23 £000
Salaries and wages	**524,992**	484,240
Social security costs	**57,345**	52,861
Apprenticeship levy	**2,682**	2,461
Employer's contributions to NHS pensions	**90,348**	82,476
Pension cost - other	**279**	335
Termination benefits	**67**	67
Temporary staff - external bank	**18,170**	15,933
Agency and contract staff	**19,327**	25,271
	713,210	663,644
Costs capitalised as part of assets	**2,167**	6,740
	711,043	656,904
Analysed into operating expenses (see note 5):		
Employee expenses - staff & executive directors	**672,101**	630,523
Research and development	**7,126**	6,613
Education and training	**31,288**	19,423
Redundancy	**67**	67
Internal Audit staff costs	**461**	278
	711,043	656,904

6.2 Average number of persons employed including directors

	Permanent employees	Other employees	**2023/24 Total**	2022/23 Total Restated
	Number	Number	**Number**	Number
Medical and dental	1,331	150	**1,481**	1,370
Ambulance staff	15	-	**15**	13
Administration and estates	2,811	112	**2,923**	2,936
Healthcare assistants and other support staff	2,837	133	**2,970**	3,106
Nursing, midwifery and health visiting staff	3,180	209	**3,389**	3,224
Scientific, therapeutic, technical and healthcare science staff	1,528	75	**1,603**	1,487
Other	30	10	**40**	11
Total	**11,732**	**689**	**12,421**	12,147

Within 2023/24 there was a change in classification, requested by NHSE, for certain staff that were previously disclosed as Healthcare assistants and other support staff to instead be classed within Administration and estates. Staff numbers in the prior year have therefore been amended to reflect the change to provide a more meaningful comparator.

NOTES TO THE ACCOUNTS

6.3 Staff exit packages

Exit package cost	2023/24 Number	2023/24 £000	2022/23 Number	2022/23 £000
Less than £10,000	**41**	**162**	17	63
£10,000 to £25,000	**1**	**11**	3	44
£25,001 to £50,000	**3**	**80**	2	67
£50,001 to £100,000	**2**	**130**	-	-
£100,001 to £150,000	**1**	**132**	-	-
Total number	**48**	**515**	22	174

Exit packages relate to staff redundancies and payments in lieu of notice and include employer's NIC.

7. Pensions

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Additionally, the Trust offers a defined contribution workplace pension scheme NEST (the National Employment Savings Scheme). £279k employer NEST contributions were recognised as an expense in 2023/24 (2022/23 - £335k).

8. Retirements due to ill-health

During 2023/24 there were sixteen (2022/23 - eight) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £1,698k (2022/23 - £832k). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

NOTES TO THE ACCOUNTS

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

In 2023/24 the Trust incurred £25k (2022/23 - £nil) arising from claims made under this legislation. The total liability accruing as a result of late payments is £nil (2022/23 £nil).

10. Finance income

	2023/24 £000	2022/23 £000
Interest on cash and cash equivalents	**2,854**	1,549

11. Finance expense

	2023/24 £000	2022/23 £000
Loans from the Independent Trust Financing Facility	**287**	342
Other loans	**1,868**	1,951
Finance leases	**832**	591
Interest on the late payment of commercial debt	**25**	-
Unwinding of discount on provisions	**4**	(4)
Total	**3,016**	2,880

12. Other gains / (losses)

	2023/24 £000	**2022/23 £000**
Gains on disposal of assets	**-**	**3**
Losses on disposal of assets	**(300)**	**-**
Total	**(300)**	3

13. Better Payment Practice Code

	2023/24 Number	**2023/24 Value £000**	2022/23 Number	2022/23 Value £000
Total non-NHS trade invoices paid in the year	**196,972**	**702,859**	212,405	492,838
Total non-NHS trade invoices paid within target	**145,656**	**594,702**	194,897	455,455
Percentage of non-NHS trade invoices paid within target	**73.9%**	**84.6%**	91.8%	92.4%
Total NHS trade invoices paid in the year	**3,549**	**47,234**	4,051	142,141
Total NHS trade invoices paid within target	**2,112**	**27,579**	3,510	136,474
Percentage of NHS trade invoices paid within target	**59.5%**	**58.4%**	86.6%	96.0%

The Better Payment Practice Code requires the Trust to aim to pay all NHS and non-NHS trade payables within 30 calendar days of receipt of goods or a valid invoice (whichever is later) or within agreed contract terms.

14. Losses and special payments

	2023/24 Number	**2023/24 Value £000**	2022/23 Number	2022/23 Value £000
Losses:				
Cash losses	**4**	**-**	19	287
Bad debts and claims abandoned	**56**	**159**	78	129
Stores losses, including damage to buildings	**7**	**273**	5	234
Total losses	**67**	**432**	102	650
Special payments - Ex-gratia	**67**	**146**	86	285
Total losses and special payments	**134**	**578**	188	935

15. Intangible assets

15.1 Intangible assets at 31 March 2023

	IT In-house and 3rd party software and AUC	Software licences	Total
	£'000	£'000	£000
Valuation / gross cost at 1 April 2022	43,718	2,701	46,419
Transfers by absorption	14,846	12,763	27,609
Additions - purchased	9,594	5,026	14,620
Reclassifications and transferred into use - from property, plant and equipment (note 16.2)	(23,590)	23,527	(63)
Impairments - to operating expenditure	-	(5,321)	(5,321)
Disposals	-	(416)	(416)
Valuation / gross cost at 31 March 2023	**44,568**	**38,280**	**82,848**
Accumulated amortisation at 1 April 2022	7,091	2,073	9,164
Transfers by absorption	59	7,305	7,364
Provided during the year	5,961	2,154	8,115
Disposals/derecognition	-	(416)	(416)
Accumulated amortisation at 31 March 2023	**13,111**	**11,116**	**24,227**
Net book value at 31 March 2023	**31,457**	**27,164**	**58,621**

15.2 Intangible assets at 31 March 2024

	IT In-house and 3rd party software and AUC	Software licences	Total

16. Property, plant and equipment

16.1 Property, plant and equipment at the statement of financial position date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023	18,482	288,670	3,376	37,434	115,637	2,284	39,088	1,332	506,303
Additions - purchased	-	-	-	64,224	-	-	-	-	64,224
Additions - donated	-	-	-	638	-	-	-	-	638
Impairments and reversals of impairments - to operating expenses	-	-	-	-	(572)	-	-	-	(572)
Reclassifications	-	17,665	200	(32,373)	5,726	63	8,606	121	8
Disposals	-	-	-	-	(300)	-	-	-	(300)
Valuation / gross cost at 31 March 2024	**18,482**	**306,335**	**3,576**	**69,923**	**120,491**	**2,347**	**47,694**	**1,453**	**570,301**
Accumulated depreciation at 1 April 2023	-	189	-	-	63,870	1,493	18,912	541	85,005
Provided during the year	-	11,752	165	-	7,836	179	5,273	130	25,335
Impairments charged to operating expenses	-	-	-	-	(102)	-	-	-	(102)
Reclassifications	-	2	-	-	1	4	(4)	1	4
Accumulated depreciation at 31 March 2024	**-**	**11,943**	**165**	**-**	**71,605**	**1,676**	**24,181**	**672**	**110,242**
Net book value - purchased at 31 March 2024	18,482	286,700	3,411	69,923	45,122	615	23,427	725	448,405
Net book value - donated at 31 March 2024	-	7,692	-	-	3,764	56	86	56	11,654
Net book value total at 31 March 2024	**18,482**	**294,392**	**3,411**	**69,923**	**48,886**	**671**	**23,513**	**781**	**460,059**

16. Property, plant and equipment (continued)

16.2 Property, plant and equipment at the statement of financial position date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022	9,870	226,921	2,380	28,788	85,547	1,797	21,899	99	377,301
Reclassification of existing finance leased assets to right of use assets on 1 April 2022	-	-	-	-	(2,045)	-	-	-	(2,045)
Transfers by absorption	6,630	67,269	524	10,241	20,843	12	3,999	936	110,454
Additions - purchased	-	6,969	-	17,400	8,788	453	2,885	373	36,868
Additions - donated	-	108	-	791	1,033	22	-	-	1,954
Impairments and reversals of impairments - to operating expenses	1,417	(6,688)	6	-	-	-	-	-	(5,265)
Impairments and reversals of impairments - to revaluation reserve	(20)	(651)	-	-	-	-	-	-	(671)
Revaluation	585	(9,515)	466	-	-	-	-	-	(8,464)
Disposals	-	-	-	-	(3,467)	-	(349)	(76)	(3,892)
Reclassifications - net total transferred to Intangible assets (note 15.2)	-	4,257	-	(19,786)	4,938	-	10,654	-	63
Valuation / gross cost at 31 March 2023	**18,482**	**288,670**	**3,376**	**37,434**	**115,637**	**2,284**	**39,088**	**1,332**	**506,303**
Accumulated depreciation at 1 April 2022	-	13,926	250	-	49,078	1,372	13,397	47	78,070
Reclassification of existing finance leased assets to right of use assets on 1 April 2022	-	-	-	-	(204)	-	-	-	(204)
Transfers by absorption	-	2,484	68	-	10,961	12	1,581	446	15,552
Provided during the year	-	10,991	193	-	7,502	109	4,283	124	23,202
Impairments and reversals of impairments - to operating expenses	-	(147)	-	-	-	-	-	-	(147)
Revaluations	-	(27,065)	(511)	-	-	-	-	-	(27,576)
Eliminated on disposals	-	-	-	-	(3,467)	-	(349)	(76)	(3,892)
Accumulated depreciation at 31 March 2023	**-**	**189**	**-**	**-**	**63,870**	**1,493**	**18,912**	**541**	**85,005**
Net book value - purchased at 31 March 2023	18,482	280,860	3,376	36,643	46,125	770	20,151	747	407,154
Net book value - donated at 31 March 2023	-	7,621	-	791	5,642	21	25	44	14,144
Net book value total at 31 March 2023	**18,482**	**288,481**	**3,376**	**37,434**	**51,767**	**791**	**20,176**	**791**	**421,298**

The Trust's land, buildings and dwellings were revalued as at 31 March 2023. The valuation was undertaken by Gerald Eve, in accordance with International Financial Reporting Standards and also complies with HM Treasury's requirements to value land and buildings on the basis of utilising modern equivalent buildings that would give the same service potential as is provided by the actual estate that the Trust owns.

NOTES TO THE ACCOUNTS

16. Property, plant and equipment (continued)

16.3 Revaluation of land, buildings and dwellings

The Trust's freehold and leasehold property were valued as at 31 March 2023 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the Royal Institution of Chartered Surveyors (RICS) Valuation - Global Standards 2022 and the national standards and guidance set out in the UK national supplement (November 2018), the International Valuation Standards and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM). The valuations of specialised properties were derived using the depreciated replacement cost (DRC) method, with other in-use properties reported on an existing use value basis.

The Trust's specialised buildings and associated land are valued using the DRC method, based upon providing a modern equivalent asset (MEA). A fundamental principle of MEA valuations is that a hypothetical buyer would purchase the least expensive site that would be suitable and appropriate for the existing operations. The valuation of the majority of the Trust's specialised land and buildings within the Eastern location are based upon the Trust hypothetically being located on a suitable alternative site away from the Exeter city centre, where the cost of the land would be significantly lower, but where the Trust would still be able to re-provide its services. Specialised land and buildings relating to the Northern locations continue to be valued using their site's current locations which in general are already towards or on the outer edges of their respective towns where the costs are already low.

In 2022/23 the net valuation of the Trust's land and buildings increased by £13,323k, with an increase in the revaluation reserve of £18,441k that is partially offset with an impairment charge of £5,118k.

The valuation undertaken as at 31 March 2023 is still appropriate as there has been no material change within the fair value of the Trust's land, buildings and dwellings.

17. Leases - Royal Devon University Healthcare NHS Foundation Trust as a lessee

The Trust holds land, property, plant and machinery, transport and information technology leases.

17.1 Right of use assets at the statement of financial position date comprise the following elements:

	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	52,444	8,908	195	-	**61,547**	29,862
Additions	3,986	2,374	-	360	**6,720**	2,348
Remeasurements of the lease liability	3,255	-	-	-	**3,255**	1,799
Disposals / derecognition	(34)	-	-	-	**(34)**	(34)
Valuation/gross cost at 31 March 2024	59,651	11,282	195	360	**71,488**	33,975
Accumulated depreciation at 1 April 2023 - brought forward	5,296	1,592	79	-	**6,967**	3,069
Provided during the year	5,830	1,767	80	-	**7,677**	3,314
Accumulated depreciation at 31 March 2024	11,126	3,359	159	-	**14,644**	6,383
Net book value at 31 March 2024	**48,525**	**7,923**	**36**	**360**	**56,844**	27,592

17.2 Right of use assets - 2022/23

	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward						
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	2,045	-	-	**2,045**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	51,370	4,846	127	-	**56,343**	29,519
Additions	764	2,017	68	-	**2,849**	343
Remeasurements of the lease liability	310	-	-	-	**310**	
Valuation/gross cost at 31 March 2023	52,444	8,908	195	-	**61,547**	29,862
Accumulated depreciation at 1 April 2022 - brought forward						
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	-	204	-	-	204	-
Provided during the year	5,296	1,388	79	-	6,763	3,069
Accumulated depreciation at 31 March 2023	5,296	1,592	79	-	6,967	3,069
Net book value at 31 March 2023	**47,148**	**7,316**	**116**	**-**	**54,580**	**26,793**

17.3 Revaluations of right of use assets

There were no revaluations of right of use assets in 2023/24.

NOTES TO THE ACCOUNTS

17. Leases (continued)

17.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within Borrowings in the Statement of Financial Position. A breakdown of borrowings is disclosed in note 22.

	2023/24 £000	2022/23 £000
Carrying value at 31 March	**56,520**	1,873
IFRS 16 implementation - adjustments for existing operating leases	**-**	58,172
Lease additions	**6,720**	2,849
Lease liability remeasurements	**3,255**	310
Interest charge arising in year	**832**	591
Early terminations	**(34)**	-
Lease payments (cash outflows)	**(7,602)**	(7,275)
Carrying value at 31 March	**59,691**	56,520

Expenditure on short term leases is recognised in operating expenditure disclosed in Note 5.

17.5 Maturity analysis of future lease payments at 31 March 2024

	Total 31 March 2024 £000	Of which leased from DHSC group bodies: 31 March 2024 £000	Total 31 March 2023 £000	Of which leased from DHSC group bodies: 31 March 2023 £000
Undiscounted future lease payments payable in:				
- not later than one year;	10,813	4,208	8,896	4,059
- later than one year and not later than five years;	28,763	14,857	26,105	12,989
- later than five years.	23,819	9,834	24,939	11,004
Total gross future lease payments	**63,395**	**28,899**	59,940	28,052
Finance charges allocated to future periods	(3,704)	(1,065)	(3,420)	(1,135)
Net lease liabilities at 31 March	**59,691**	**27,834**	56,520	26,917

NOTES TO THE ACCOUNTS

18. Investments in associates and joint ventures

	31 March 2024 £000	31 March 2023 £000
Carrying value at 1 April	**5**	5
Carrying value at 31 March	**5**	5

In 2016/17 the Trust acquired a 20% shareholding in a new company Dextco Limited. Dextco Limited is a joint venture between the Trust and a number of local public sector bodies with the aim of developing energy projects in Exeter.

19. Inventories

19.1 Inventories held at year end

	31 March 2024 £000	31 March 2023 £000
Drugs	**4,561**	4,953
Consumables	**10,357**	9,824
Energy	**361**	399
Inventories carried at fair value less costs to sell	**516**	448
Total inventories	**15,795**	15,624

19.2 Inventories recognised in expenses

	2023/24 £000	2022/23 £000
Inventories recognised in expenses	**193,003**	131,151
Write-down of inventories recognised in expenses	**273**	234
Total inventories recognised in expenses	**193,276**	131,385

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 2023/24 the Trust received £264k of items purchased by DHSC (2022/23 £1,167k).

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.

NOTES TO THE ACCOUNTS

20. Trade and other receivables

	31 March 2024 £000	31 March 2023 £000
Current		
Contract receivables	**46,675**	49,181
Capital receivables	**-**	291
Prepayments	**8,468**	7,788
Allowance for impaired contract receivables / assets	**(934)**	(796)
Other receivables	**2,372**	469
PDC dividend receivable	**-**	52
VAT receivable	**3,446**	3,200
Total current trade and other receivables	**60,027**	60,185
Non-current		
Contract receivables	**1,145**	2,276
Allowance for impaired contract receivables / assets	**(264)**	(228)
Other receivables	**725**	1,027
Total non-current trade and other receivables	**1,606**	**3,075**
Total trade and other receivables	**61,633**	63,260

Provision for impairment of receivables	31 March 2024 £000	31 March 2023 £000
At 1 April	**1,024**	656
Transfer by absorption	**-**	269
Increase in provision	**348**	238
Amounts utilised, reversed and changes in calculations	**(174)**	(139)
At 31 March	**1,198**	1,024

The provision for impairment of receivables relates to specific receivables over 3 months old.

21. Trade and other payables

Current	31 March 2024 £000	31 March 2023 £000
Trade payables	**16,395**	13,514
Trade payables - capital	**28,813**	6,615
Other taxes payable	**13,405**	12,403
PDC dividend payable	**97**	-
Other payables	**9,303**	8,389
Accruals	**43,634**	62,402
	111,647	103,323
Current other liabilities		
Other deferred income	**7,828**	17,892

22. Borrowings

Current	31 March 2024 £000	31 March 2023 £000
Loans from Foundation Trust Financing Facility	**2,041**	1,270
Other Loans	**8,447**	6,510
Lease liabilities	**10,812**	8,896
	21,300	16,676
Non-current		
Loans from Foundation Trust Financing Facility	**3,698**	4,968
Other Loans	**41,659**	50,102
Lease liabilities	**48,879**	47,624
	94,236	102,694
Total borrowings	**115,536**	119,370

NOTES TO THE ACCOUNTS

22. Borrowings (continued)

Foundation Trust Financing Facility
Two loans are repayable to the Secretary of State for Health and Social Care. The first loan of £17m was entered into in the year ended 31 March 2006. It is repayable over a 20 year period, ending 30 March 2026, by equal quarterly instalments and the interest rate of the loan is fixed at 4.55% per annum. The second loan of £10m was entered into in the year ended 31 March 2007, and is repayable over a 25 year period, ending 30 March 2032, by equal quarterly instalments and the interest rate of the loan is fixed at 5.05% per annum.

Other loans
Loans of £21m were received from both Hitachi Capital and Siemens Bank in the year ended 31 March 2019. The loans are repayable over a 12 year period ending September 2030, in equal quarterly instalments that commenced in December 2020.

A loan of £18.3m has been received from a supplier (received between 2018/19 and 2022/23). The loan is repayable over an 11-year period ending August 2028.

A loan of £6.2m has been received from Salix (received in 2019/20 and 2021/22). The loan is repayable over a 7-year period ending December 2028.

	Loans from DHSC £000	**Other loans £000**	**Lease liabilities £000**	**Total £000**
Carrying value at 1 April 2023	6,238	56,612	56,520	**119,370**
Cash movements:				
Financing cash flows - payments and receipts of principal	(635)	(5,174)	(6,779)	**(12,588)**
Financing cash flows - payments of interest	(151)	(3,200)	(823)	**(4,174)**
Non-cash movements:				
Additions	-	-	6,720	**6,720**
Lease liability remeasurements	-	-	3,255	**3,255**
Interest charge arising in year (application of effective interest rate)	287	1,868	832	**2,987**
Early termination	-	-	(34)	**(34)**
Carrying value at 31 March 2024	**5,739**	**50,106**	**59,691**	**115,536**

23. Provisions

	Early retirements £000	Legal claims £000	Injury benefits £000	Other £000	**Total £000**
At 1 April 2023	28	274	237	1,032	**1,571**
Change in discount rate	-	-	-	(157)	**(157)**
Arising during the year	7	79	11	-	**97**
Utilised during the year	(5)	(78)	(19)	(6)	**(108)**
Reversed unused	-	(41)	-	(186)	**(227)**
Unwinding of discount	-	-	4	47	**51**
At 31 March 2024	**30**	**234**	**233**	**730**	**1,227**

Expected timing of cash flows:	**31 March 2024 £000**	31 March 2023 £000
In one year or less	**262**	295
Between one and five years	**106**	119
Over five years	**859**	1,157
	1,227	1,571

Legal claims relate to employee and public liability claims.

Contingent liabilities relating to legal claims are shown in note 26.

NHS Resolution is carrying provisions as at 31 March 2024 in relation to Existing Liabilities Scheme and in relation to Clinical Negligence Scheme on behalf of the Trust of £334.1m (2022/23 - £418.8m).

Other provisions relate to the estimated clinicians' pension tax. An equal amount due from NHSE is included in Receivables.

NOTES TO THE ACCOUNTS

24. Cash and cash equivalents

	31 March 2024 £000	31 March 2023 £000
At 1 April 2023	**46,033**	68,575
Transfer by absorption	**-**	20,345
Net change in the year	**(22,392)**	(42,887)
At 31 March 2024	**23,641**	46,033
Broken down into:		
Cash at commercial banks and in hand	**32**	36
Cash with Government Banking Service	**23,609**	45,997
Cash and cash equivalents as in SoFP and Cash Flow Statement	**23,641**	46,033

Cash and cash equivalents represents cash in hand and deposits with any financial institution with a short term maturity period of three months or less from the date of the acquisition of the investment.

25. Capital commitments

Commitments under capital expenditure contracts, which relate to property, plant and equipment, at the statement of financial position date were £2,920k (2022/23 - £3,274k).

26. Contingent liabilities

	31 March 2024 £000	31 March 2023 £000
Contingent NHS Resolution legal claims	-	-

27. Related party transactions

The Trust is a public benefit corporation established under the NHS Act 2006. The Department of Health and Social Care (DHSC) has the power to control the Trust and therefore can be considered to be the Trust's parent. The Trust's Accounts are included within the NHS Foundation Trust Consolidated Accounts, which are included within the Whole of Government Accounts. The Department of Health and Social Care is accountable to the Secretary of State for Health and Social Care. The Trust's ultimate parent is therefore HM Government.

The Trust is under the common control of the Board of Directors.

Directors' remuneration and other benefits are disclosed within the operating expenditure, note 5.1.

The Royal Devon Univerity Healthcare NHS Foundation Trust is the Corporate Trustee of the Royal Devon University Healthcare NHS Foundation Trust Charity ("Charity"), registered charity number 1061384, registered office Newcourt House, Newcourt Road, Exeter, EX2 7JU. The Charity's objective is for any charitable purpose and purposes relating to the National Health Service. The Trust has received during the year £527k (2022/23 - £346k) revenue income and £638k (2022/23 - £1,068k) capital contributions from the Charity. At 31 March 2024 the Trust was due £804k (2022/23 - £167k) from the Charity. The Charity's most recent audited accounts were for the year ended 31 March 2023 and the Charity held aggregated reserves of £5,142k.

During the year the Royal Devon University Healthcare NHS Foundation Trust has had a significant number of material transactions with the Department of Health and Social Care, and with other entities for which the DHSC is regarded as the parent of those entities. Income from activity - by source (note 3.1) and the operating expense (note 5) provides details of revenue transactions with those entities. Below are considered to be the significant material transactions.

	Income £000	Expenditure £000	Receivables £000	Payables £000
2023/24				
Department of Health and Social Care (excludes PDC dividend)	**24,846**	**-**	**1,193**	**-**
NHS England (Includes Regional offices / Commissioning hubs)	**231,938**	**-**	**1,369**	**193**
NHS Devon ICB	**715,555**	**180**	**23,679**	**59**
NHS Cornwall and the Isles of Scilly ICB	**13,793**	**3**	**221**	**-**
NHS Somerset ICB	**6,923**	**5**	**162**	**-**
Torbay and South Devon NHS Foundation Trust	**4,678**	**4,306**	**1,939**	**559**
Devon Partnership NHS Trust	**5,922**	**2,159**	**1,063**	**568**
2022/23				
Department of Health and Social Care (excludes PDC dividend)	21,140	-	1,260	-
Health Education England	32,274	-	1,640	-
NHS England (Includes Regional offices / Commissioning hubs)	213,650	44	29,041	592
NHS Devon ICB	494,771	216	4,219	80
NHS Devon CCG	148,912	88	-	-
NHS Cornwall and the Isles of Scilly ICB	9,495	-	20	-
NHS Kernow CCG	3,092	-	-	-
NHS Somerset ICB	4,727	-	7	-
NHS Somerset CCG	1,549	-	-	-
Devon Partnership NHS Trust	6,060	2,157	528	455

NOTES TO THE ACCOUNTS

28. Financial instruments

A financial instrument is a contract that gives rise to both a financial asset in one entity and a financial liability or equity instrument in another entity. IFRS 7, Financial Instruments: Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The financial assets and liabilities of the Trust are generated by day to day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Credit risk

Credit risk arises when the Trust is exposed to the risk that a party is unable to meet its obligation to the Trust in respect of financial assets due.

Financial assets mainly comprise monies due from Integrated Care Boards (ICBs) and NHS England for services rendered by the Trust in fulfilment of service agreements, and cash balances held on deposit. It is considered that financial assets due from these organisations pose a low credit risk as these entities are funded by HM Government.

A significant proportion of the Trust's cash balances are held on deposit with the Government Banking Service, and as such the credit risk on these balances is considered to be negligible.

Liquidity risk

Liquidity risk arises if the Trust is unable to meet its obligations arising from financial liabilities. The Trust's financial liabilities mainly arise from net operating costs, which are mainly incurred under legally binding annual service agreements with ICBs and NHS England, and liabilities incurred through expenditure on capital projects. Other liquidity risks are loans repayable to the FTFF and commercial loan providers.

The majority of the Trust’s income is earned from NHS commissioners in the form of fixed monthly payments to fund an agreed level of activity. Such fixed payments allow the Trust to accurately forecast cash inflows. The Trust has produced a financial plan for 2024/25. From the financial modelling undertaken the Trust is expecting to require cash support to cover its requirements for this period. This will be in the form of Provider Revenue Support Public Dividend Capital with no set repayment date. The preparation and review of cash flow forecasts together with the controls in place governing the authorisation of expenditure ensure that the Trust maintains sufficient funds to meet obligations as they fall due.

Market risk

Market risk arises when the Trust is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

The Trust receives income denominated in sterling. The Trust, on occasion, does enter into agreements to make payments in non-sterling denominated currencies. Non-sterling payments are principally short term liabilities and for non-significant amounts. Given this, the Trust does not consider that it is exposed to any material currency risk and therefore has elected not to hedge its exposure.

Interest rate risk

The Trust does not enter into contracts where cash flows are determined by the use of a variable interest rate.

Other price risk

The Trust enters into legally binding contracts with both its customers and suppliers that stipulate the price to be paid. As such it does not consider itself exposed to material other price risk.

NOTES TO THE ACCOUNTS

28. Financial instruments (continued)

28.1 Carrying value of financial assets

	Held at amortised cost £000
Trade and other receivables excluding non financial assets	52,220
Cash and cash equivalents at bank and in hand	46,033
Total at 31 March 2023	98,253

	Held at amortised cost £000
Trade and other receivables excluding non financial assets	**49,719**
Cash and cash equivalents at bank and in hand	**23,641**
Total at 31 March 2024	**73,360**

28.2 Carrying value of financial liabilities

	Held at amortised cost £000
Loans from the Department of Health and Social Care	6,238
Other borrowings	56,612
Obligations under finance leases	56,520
Trade and other payables excluding non financial liabilities	90,920
Total at 31 March 2023	210,290

	Held at amortised cost £000
Loans from the Department of Health and Social Care	**5,739**
Other borrowings	**50,106**
Obligations under finance leases	**59,691**
Trade and other payables excluding non financial liabilities	**89,371**
Total at 31 March 2024	**204,907**

28.3 Fair value

For all of the financial assets and liabilities at 31 March 2024 and 31 March 2023 the fair value is equal to book value.

29. Third party assets

The Trust held £1k cash at bank and in hand at 31 March 2024 (2022/23 - £Nil) relating to monies held on behalf of patients.

30. Standards, amendments and interpretations in issue but not yet effective or adopted and early adoption of standards

The accounts have been prepared in accordance with the 2023/24 Department of Health and Social Care Group Accounting Manual (GAM) issued by Department of Health. The accounting policies contained in that manual follow International Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. IFRS 17 Insurance Contracts which is to be applied for accounting periods beginning on or after 1 January 2021 have not yet been adopted by the Financial Reporting Manual (FReM). The standard is expected to be adopted from April 2025.

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.