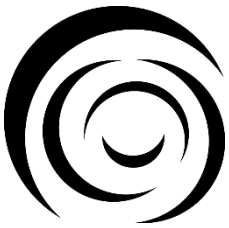
NHS
Birmingham and Solihull Mental Health
NHS Foundation Trust

Annual report and accounts 2023/24

compassionate

inclusive

committed



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

Contents

The Strategic report has been prepared in accordance with sections 414A, 414C and 414D of the Companies Act, as interpreted by the FReM (paragraphs 5.2.6 to 5.2.11) and in accordance with the direction issued by NHS Improvement under the National Health Service Act 2006.

The accounts included within the Annual Report have been prepared under direction issued by NHS Improvement under the National Health Service Act 2006.

The purpose of the strategic report is to inform users of the accounts and help them assess how the Directors have performed in promoting the success of the foundation trust.

As Chief Executive, I confirm that the Board of Directors has approved the Annual Report and Annual Accounts for 2023/24 at their meeting on 20 June 2024.

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Performance report

Overview

This overview of performance provides a short summary of the organisation, its purpose, the key risks to achieving our objectives and performance throughout the year.

Welcome to our Trust

A Message from our Chair and Chief Executive

We are delighted to present our Annual Report and Accounts for Birmingham and Solihull Mental Health NHS Foundation Trust for the period 1 April 2023 to 31 March 2024.

The purpose of this overview is to give you a short summary that provides sufficient information to understand the organisation, its purpose and how it has performed during the year.

In the year covered in this report we have seen numerous examples of progress and positive developments, although we recognise the areas that we still need to improve upon. We are proud of what we as Team BSMHFT have achieved and know we have firm foundations to make the improvements that we need to make in the year ahead. Supporting our staff and their wellbeing (so they can provide excellent patient and service user centred care) has been a key priority throughout the three years of delivering on our Five-Year Strategy and we hope that this report provides a balanced view of the Trust's performance during the third year of the Strategy. We also use this opportunity to celebrate the dedication and commitment of our staff to provide safe and caring services for our patients, service users, carers and volunteers.

As a large mental healthcare provider, embedded in the local health and care landscape, we have wide-ranging, well-established partnerships across Birmingham and Solihull with criminal justice, community, acute, primary care, third sector and social care services. Working collaboratively to transform services for the benefit of our population has always been our preferred way of working, but this year has seen partnering accentuated as our Integrated Care System (ICS) has helped formalise and normalise partnership thinking and working.

Our ICS has brought together hospital, community and mental health trusts, GPs and other primary care services with local authorities and other care providers to work together. By joining care up we can use our collective strength to address health inequalities and our shared health and care challenges. ICS's aim is to reduce health inequalities within our population, and we are committed to continue to address these inequalities through the successful implementation of our strategy over the next two years.

From 1 April 2023, we were operating in the lead provider role as the Birmingham and Solihull Mental Health Provider Collaborative, with delegated responsibilities. We are using this as a great opportunity to make mental health services the best they can possibly be for the people of Birmingham and Solihull by working more collaboratively than ever before. We are using the opportunity so that decisions are made as close to those delivering and receiving care as

possible, bringing together the right people, in the right place, to support making key improvements for our patients, people and communities in Birmingham and Solihull.

We know from our latest staff survey results that the concerted effort we have made to make our Trust a fairer place to work for everyone and enable staff to work better together as teams has had a positive impact, with clear signs of improvement. However, we recognise that we must continue in our commitment to this effort as we still have considerable improvements to make.

We further acknowledge that, despite numerous examples of good practice, there have been instances when our focus on quality and safety was not what it should have been and the learnings from where we fell short are being consistently applied across the organisation with the aim of ensuring that they are not repeated and that we continue our journey of improvement.

As a Trust we have invested in our approach to quality improvement and want to ensure we are using that methodology and associated tools to identify where we can improve our processes and systems to release more time for direct patient care, to improve their experience and the experience of our clinicians. We are also committed to our continued research and development in order to ensure the care and treatment we provide is the best it can be.

Finally, it is apparent that the pressures on our finances and resources will only become more pressing in the year ahead, requiring sustained focus and discipline. The end of March 2024 saw the close of the third year of our Five-Year Trust Strategy and our achievements in that year are included in this report. The values of Compassionate, Inclusive and Committed remain as our compass and as our platform to enable the changes and improvements we are working to achieve. Our values are vital to us an organisation and we have an incredible team who go the extra mile to put patients and communities at the heart of everything we do.

Phil Gayle
Chair

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Purpose and activities of our Trust

We have a simple and clear purpose:

To provide excellent, compassionate, high quality mental health services that are innovative and involve service users, carers, and staff.

As an organisation, we aim to promote and ensure the following values in every element of our work. We put service users at the centre of everything we do by displaying:

Honesty and openness – We will keep each other well informed through regular communication. We will have honest conversations and explain our decisions.
Compassion – we will bring compassion to all our dealings with service users and carers and expect it in our colleagues.
Dignity and respect – We will respect all those whom we deal with at work, especially our service users and staff and take action to address those who do not
Commitment – We commit to help our colleagues provide the best care services that we can. We will do what we say we will.

The organisation provides a comprehensive mental healthcare service for the residents of Birmingham and Solihull and to communities in the West Midlands and beyond. We operate out of more than 40 sites and serve a culturally diverse population of 1.3 million spread out over 172 square miles and have an annual income of £626m, a dedicated workforce of almost 4,000 staff and a range of local and regional partnerships, making this one of the most complex and specialist mental health foundation trusts in the country. Our catchment population is ethnically diverse and characterised in places by high levels of deprivation, low earnings, and unemployment. These factors create a higher requirement for access to health services and a greater need for innovative ways of engaging people from the most affected areas.

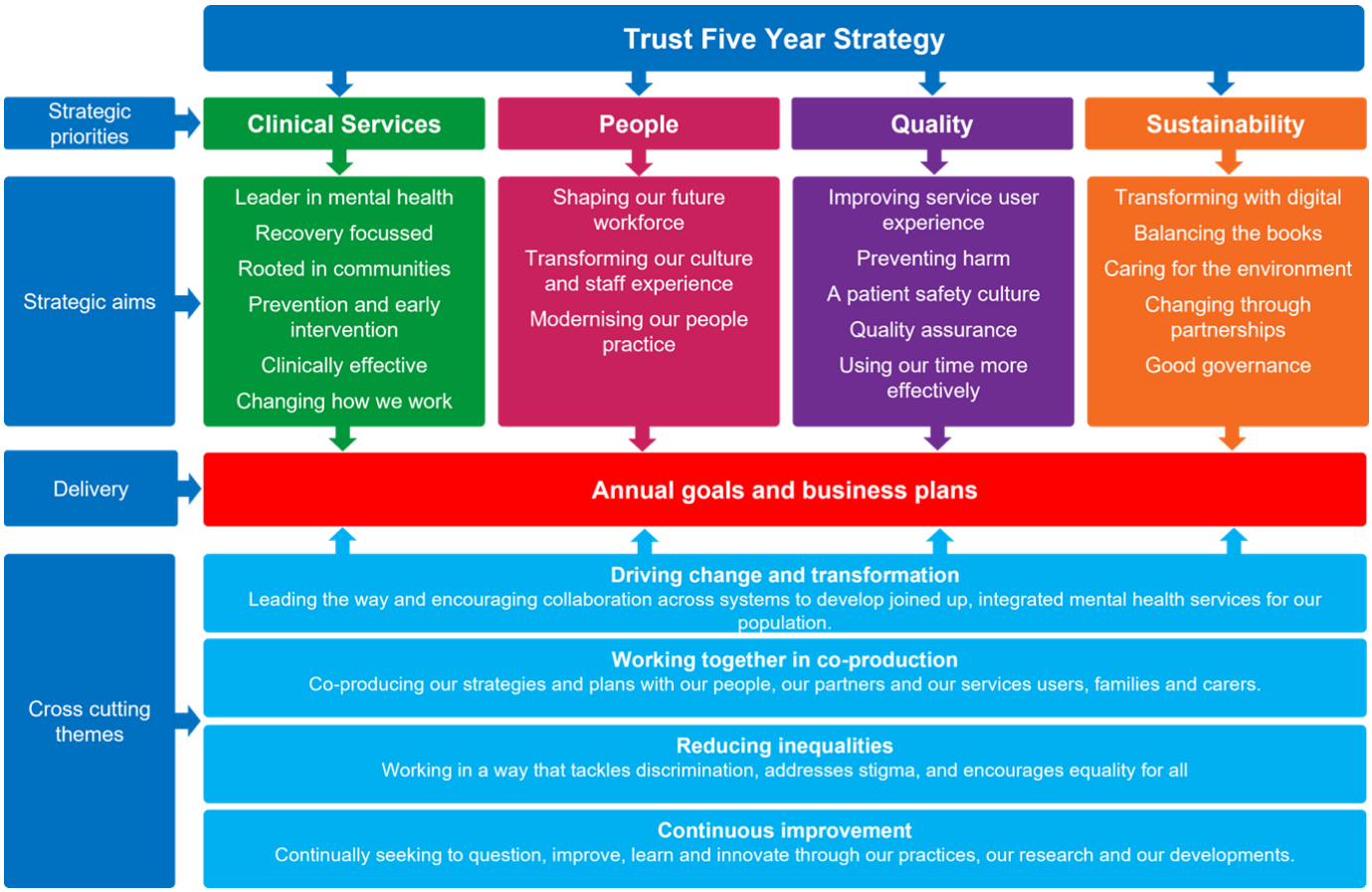
History and background

The Trust was established as Birmingham and Solihull Mental Health NHS Foundation Trust on 1 July 2009.

This followed the merger of the former Northern and South Birmingham Mental Health NHS Trusts on 1 April 2003 to create the Birmingham and Solihull Mental Health Trust.

Our strategic ambitions for 2023/2024

We have a five-year strategy covering 2021-2026, and we have four strategic priorities:



Our strategic priorities focus on:

Clinical services

Transforming how we work to provide the best care in the right way in the right place at the right time, with joined up care across health and social care.

People

Creating the best place to work and ensuring we have a workforce with the right values, skills, diversity and experience to meet the evolving needs of our service users.

Quality

Delivering the highest quality services in a safe inclusive environment where our service users, their families, carers and staff have positive experiences, working together to continually improve.

Sustainability

Being recognised as an excellent, digitally enabled organisation which performs strongly and efficiently, working in partnership for the benefit of our population.

Key issues and risks that could affect the Trust

The Trust has identified a number of key risks which are included in its Board Assurance Framework. The high-level risks largely represent the following areas:

Area	Risk
Trust wide	Shrinking supply of mental health nurse nationally. Additionally, difficulties in recruiting to and retaining Band 5 Registered Mental Health Nurse and shortage of experienced Band 6 Registered Mental Health Nurses continues to be a challenge. Nearly a third of all leavers are band 5 nurses and band 3 HCAs from inpatient settings (including secure services). Additionally, recent intelligence is showing that the bursary is impacting nursing in particular mental health nursing which historically attracted a mature workforce (e.g., the potential impact on living standards).
Trust wide	There is a risk that the Trust may fail to modernise its people practice in ensuring the achievement of its operational objectives. This may be caused by inability to deliver digital solutions or foster a psychologically safe environment. This may result in: - • Poor employer brand limiting recruitment. • Staff feeling vulnerable and unable to speak up resulting in missed opportunities to improve practice. • Increased retention of a valuable workforce. • Compensation costs. • Increased regulatory scrutiny, intervention, and enforcement action.
Trust wide	There is a risk that the Trust may fail in addressing racism and discrimination both behavioural and systemic across people and process. This may be caused by: - • lack of focus on an enabling a anti racist, anti-discriminatory culture. • Inability to change processes that enhance discrimination. • Lack of focus on identifying and addressing workforce inequalities. • Lack of focus on identifying and addressing health inequalities. This may result in: - • Sickness and recruitment challenges. • Lack of engagement. • Loss of trust and confidence with communities. • Services that do not reflect the needs of service users and carers. • Inequality across patient population. • Workforce that is not culturally competent to support populations and colleagues.

Area	Risk
Acute	Failure to recruit and retain staff to enable safe staffing levels could result in a breach of HCSA regulation 18 (staffing). Risk of increasing reliance on agency and temporary workforce, will result in poor continuity of care and impact on safer staffing requirements.
ICCR and Dementia and Frailty	There is a risk of potential insufficient capacity across Acute Care pathway to manage patient demand.

Area	Risk
	This is caused by demand outstripping supply and difficulties to recruit and retain staff in some roles. This may result in higher level of risk being managed in our community teams, Service Users being placed out of area, potentially meaning that patient are not being given the required levels of care or safety, rising financial cost with Out of Area placements and poor patient experience.
Acute	The pandemic has seen an increase in acuity and demand creating pressure across the acute care system.
Acute	There is a risk that patients will not be able to be admitted to an Acute inpatient bed within a timely manner, from both A&E and general wards. This is caused by the lack of bed availability. This may result in an impact on the quality of care and can exacerbate mental health due to a delay in treatment. It can also place a strain on capacity for PL staff who are trying to manage patients as well as new referrals. For the general hospital it limits the availability of A&E beds and impacts on general staff capacity. It can increase the risk for the patient as they are staying in an environment which doesn't have the same environmental controls in place as a psychiatric ward. It increases worry and distress for patients and their families.
Trust wide	Acuity and resourcing have impacted on seclusion of service users outside of purpose-built seclusion suites.
Trust wide	There is a risk that savings schemes may not be delivered in full by the Trust. This may be caused by the Trust failing to meet its financial plans. This may lead to a deficit in year, a fall in financial risk rating or inability to fund capital programme.
Urgent care	Increase in section 136 by police leading to increase clinical activity in urgent care.
Cyber security	There is an increasing requirement to protect the NHS from cyberattacks. There is a demand to focused arrangements 24/7 to protect the Trust from attack.

Going concern

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

Performance analysis

How we measure performance

We utilise a range of approaches to report and manage performance so that it can contribute to an aligned understanding from 'Board to ward'.

The Trust has established an Integrated Performance Report which is reviewed by the Trust Board sub-committees. This is based on the Integrated Performance Dashboard which has been in place since early 2018 and describes Trust performance against a holistic range of key performance indicators against four domains, which mirror the Trust's priorities focusing on:

Quality and safety
Performance (activity, demand, and delivery of national, commissioning and local standards)
Culture and people
Sustainability

The intention is to provide a balanced understanding of the performance of the Trust and its services so that we can see the relationship between the different elements, i.e. rather than individual data, such as numbers of staff and costs. We are interested in understanding, for example, how changes in the workforce impact on cost, quality and contractual performance and which changes add the greatest value.

Commentaries are provided by domain owners for each metric which describe:

What has happened?
Why has it happened?
What are the implications and consequences?
What are we doing about it?
What do we expect to happen?
How will we know when we have addressed the issues?

The Integrated Performance Dashboard is also reviewed at the Trust's Performance Delivery Group (PDG) attended by Executive Directors, Clinical Directors and Associate Directors on a monthly cycle of review. In addition to this, deep dive meetings take place with services, providing an opportunity to discuss performance across the domains and patient pathways in a greater level of detail. The framework for the deep dives has been refreshed with a programme of reviews which will cover the range of services provided by the trust. These will be supported by Executive leads and provide a focus on the key risks and agreement on strategic actions to mitigate issues.

Performance and key issues arising across the four domains including outcomes from the PDG and Deep Dive meetings are also reported to the Trust Board sub- committees where appropriate. This includes the Quality Patient Experience and Safety Committee (QPES), Finance, Performance and Productivity Committee and the People Committee for assurance.

The integrated dashboard provides drill down capabilities supported by control charts to assess progress and improvement. The next phase of development is to review the current metrics in line with the planning guidance for 2024/25 and also to complete engagement with service leads to develop a service level view with an expanded number of service level metrics which are used by clinical services to manage quality and performance. Integrated care system national indicators are also reviewed to establish the Trust's contribution to the overall system-wide performance, highlighting areas for improvement.

In addition to the above, existing reports that the Trust uses to report and assess performance have been maintained and examples of these and mechanisms we use are outlined below.

The Trust's key performance indicator (KPI) report is published internally on a monthly basis and includes 42 measures, comprising:

- national indicators as outlined in NHSE/I Oversight Framework.
- local and commissioner indicators. This includes the Increasing Access to Psychological Therapies targets agreed with commissioners and local workforce measures relating to sickness absence and compliance with appraisal and fundamental training.
- local baseline measures provide contextual understanding of how services are operating and how service users are progressing along the pathway. The measures reported are those that are generically applicable to Trust services.

Examples of measures reported include CPA 7 and 3 day follow up, 'did not attend' (DNA) rates, community mental health team diagnosis recording, service users on the care programme approach (CPA) having an annual review in the last 12 months, service users on caseload with no face-to-face contact recorded in the last six and twelve months, length of stay, bed occupancy, delayed transfers of care and emergency readmission rates within 28 days of discharge.

Further intranet-based reporting is also in place with a library of service specific reports to aid operational planning and support staff, for example activity reports, case management and caseload information, length of stay, delayed transfers of care, and organisational reports such as compliance with mandatory training. The reports are refreshed daily to enable proactive management action by operational and corporate teams. These reports have a drill down facility to enable the reports to be viewed at Trust level, divisional level, team level down to service user level (determined by access rights) to support delivery and improvement.

Service specific profile reports (SPRs) are routinely available and refreshed each month. These reports provide a 12-month overview of key service user pathway information such as the number of referrals and discharges, DNA, and cancellation rates, waiting times for those first seen and for those waiting to be seen, demographic information and workforce information. As well as supporting internal benchmarking these reports enable understanding of service specific activity and how service users are managed across care pathways to inform areas for review and improvement. Issues arising are discussed at operational meetings for action and improvement.

The Trust also participates in the national NHS Benchmarking programme and published reports are utilised to inform local discussions on understanding variation to aid learning and informing the Trust's improvement agenda.

To enhance accessibility and level of detail provided through our reports for staff, Power BI reports continue to be developed in conjunction with service leads to support operational oversight and inform service level discussions and decision making. Recent examples include reports which support the trusts work in promoting equality, diversity and inclusion to combating inequalities by looking at the demographic characteristics of our service user population across service areas.

This report includes breakdowns of caseloads through the referral journey by:
age, gender and ethnicity and other protected characteristics. In addition, the economic status of where people live using UK Govt Index of Multiple Deprivation also overlays reports.

To support the Trusts work to reduce inappropriate out of area placements, regular reports are provided weekly to the steering group and to the supporting workstreams to help track progress and help decision making on areas for action. Reporting updates and progress on the productivity plan is shared with the Performance Delivery group and at Trust Board sub-committee Finance, Performance and Productivity Committee for assurance.

Significant work has also been undertaken to support the national implementation of the community mental health transformation agenda, providing new reports to help the service to improve their data quality and track key milestones in the delivery of the new primary care-based services.

Other reports introduced in 2023/24 focused on:

- supporting the Trust's priority to reduce restrictive interventions.
- A new HR dashboard developed which includes, a range of workforce metrics which can be filtered by staff group or team.
- Developing and providing reports to patient level data to help support the implementation of outcomes-based reporting via DIALOG+ within the community mental health services as part of the community mental health transformation plan. A built-in report within the patient information system also enables clinicians to understand patient outcomes, progress and recovery over time.
- Supporting service user outcome-based reporting within the CAMHS (Child and Adolescent mental Health Services). This enables clinicians to assess, input and review service user outcome measures and progress over time. It also highlights where patients do not have paired outcome measures recorded to assist services to manage these at future appointments.

Quality performance

Annually, every NHS Trust is required to produce a Quality Account Report. The report will be published on the Trust website at the end of June and includes information about the services the Trust delivers, how well we deliver them and our plans for the following year.

Birmingham and Solihull Mental Health NHS Foundation Trust (BSMHFT) is committed to continuous quality improvement. In creating our quality priorities and goals, we have considered

the aspirations in the NHS Long Term Plan; NHS England's Five Year Forward View for Mental Health and NHS England Planning Guidance. We have also engaged with our workforce and our service users and Experts by Experience to ensure that these goals will support the delivery of our Quality Strategic Priority which reflects the local needs of our service users and staff as well as national needs.

A summary of the areas of progress made since the publication of the 2021/2022 Quality Report includes:

- Improve patient safety by reducing harm
- Improving service user experience
- A patient safety culture
- Quality assurance
- Using our time more effectively

Improve patient safety by reducing harm

Our measures of success relating to this priority were defined as:

Preventing harm	
Implement the Patient Safety Incident Response Framework (PSIRF) to pursue excellence in learning and understanding incidents and ensure cross-organisational learning.	Measures of success: • Systemwide response and review of incidents Reduction in complaints. • Feedback identifying compassionate engagement and involvement of those affected by patient safety incidents. • Response to incidents and complaints in agreed timescales • Systemwide response to incident themes.

Why was this a priority?

The new Patient Safety Incident Response Framework (PSIRF) responds to calls for a new approach to incident management; one which facilitates inquisitive examination of a wider range of patient safety incidents in the spirit of reflection and learning rather than as part of a framework of accountability. Informed by feedback and drawing on good practice from healthcare and other sectors, it supports a systematic, compassionate and proficient response to patient safety incidents, anchored in the principles of openness, fair accountability, learning from excellence and continuous improvement.

How did we do?

As agreed with BSOL ICB the Trust has been operating under the Patient Safety Incident Response Framework (PSIRF) since 6 November 2023. Whilst the Trust has now converted from the Serious Incident Framework it is acknowledged that the Trust is still transitioning under the new model which will take between 12 -18 months to embed.

PSIRF applies a system-based approach that recognises that patient safety arises from interactions and not just from a single component, such as the actions of people. In the past we have used Root Cause Analysis (RCA), although designed to be system based, it has been found to prompt a simple linear cause and effect. PSIRF aims to understand how our work systems can influence processes, which in turn shapes outcomes.

The Chief Nurse has been appointed as the Executive Lead to ensure the organisation meets national patient safety incident response standards. They have overseen the development, review, and approval of the organisation's policy and plan for patient safety incident response, ensuring they have met the expectations set out in the national guidance. These documents have been published on our external website.

Members of the multi-disciplinary team have been trained in their new oversight responsibilities alongside training in different investigation methodologies, now called learning responses.

Further focus on undertaking patient safety syllabus training is now required across the organisation including our Board and this will be progressed over the next 12 months.

A patient safety culture

Our measures of success relating to this priority were defined as:

A Positive Patient Safety Culture	
Review the organisation's safety culture to understand how safe our staff feel at work and engage with them to provide a safe working environment where they can flourish	Measures of success: • Improvement in relation to recruitment and retention. • Reduction in incidents of bullying and harassment. • Number of individuals undertaking just culture and human factors training. • Reduction in grievances. • Staff survey responses.

Why was this a priority?

Our staff survey results for 2022 tell us that we have some way to go to truly embed a compassionate culture in which our staff feel safe, able to raise concerns and that their concerns will be addressed. They also show that team working is not as strong as we would like it to be. This in turn impacts morale, the pressure staff feel they are under and ultimately staff retention.

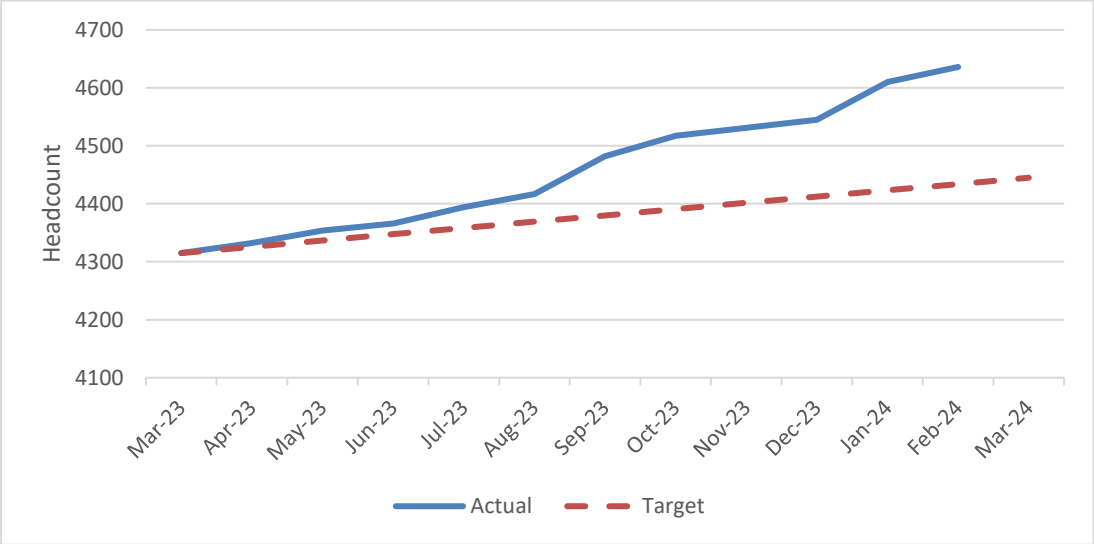
We aimed to implement a culture of fairness, openness and learning across our organisation by making staff feel confident to speak up when things go wrong, rather than fearing blame. This allows valuable lessons to be learnt so errors can be prevented from being repeated.

How have we done?

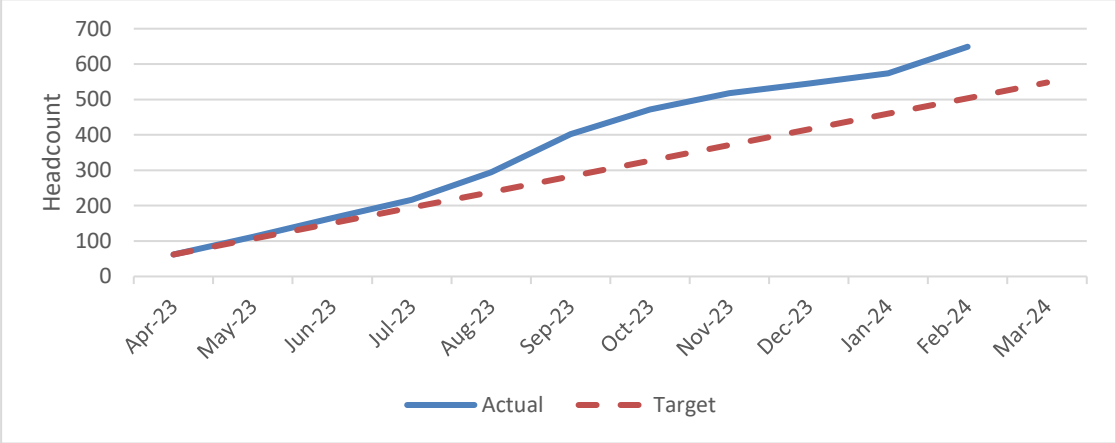
The Trust continues to address concerns related to Workforce Planning KPIs aligned to

the Shaping our Future Workforce Strategic Aims under the Trust's People Strategic Priority. While it is recognised that ongoing improvements are required, there have been some positive improvements.

We have seen a 3% increase in the total number of substantively employed staff in post compared against 01.03.23 baseline total.



New starters joining the Trust shows an upward trend and we have seen a 3% increase in the total number of 'new starter' staff joining BSMHT during the year (against the 01.04.23 baseline).



- Turnover has reduced to 7.3% in February. This is a 0.4% reduction from January.
- In the rolling 12-month period 2023/2024, 338 staff left the Trust.
- All service areas are below the Key Performance Indicator (KPI) level of 11%, however, when looking at staff groups, Pharmacy (14%) and Psychology Improving Access to Psychological Therapies (IAPT) (13.%) are all above the KPI. Recruitment of Psychological wellbeing practitioners within our IAPT service and nationally remains a challenge.

We are continuing to work on initiatives to support turnover, such as flexible working.

Quality assurance

Our measures of success relating to this priority were defined as:

Improving quality assurance	
Develop and embed the principles of 'Think Family'. Embed a system wide open-door approach increasing coordination between children and adult services.	Measures of success: Consultation regarding measures with EBES and carers is planned in the coming weeks
Embed a system wide open-door approach, increasing coordination between children and adult services	Number of staff trained in the approach as part of safeguarding training

Why was this a priority?

Learning from National reviews including Children Safeguarding Practice Reviews, Safeguarding Adult Reviews and Domestic Homicide Reviews has shown that children and other adults who live with or have contact with individuals who suffer from mental illness can suffer significant harm and their needs can be overlooked unless they receive the right support at the right time.

The National Review of Child Protection arrangements following the tragic death of Arthur Labinjo Hughes in Solihull over lockdown concluded that services needed to improve their ability to adopt a Think Family approach. The Think Family approach also supports adult service users who might also be at risk from other members of their family (EG through domestic abuse) or from others outside of the family.

The Think Family Approach involves:

- Asking service users about their family and recording accurately.
- Talking to family members, friends, and carers.
- Considering the impact of mental illness (and substance abuse if this is a feature) on children and families.
- Working in partnership with other professionals to form a full picture of need. (This includes both adult and children facing services where relevant)
- Accepting that an individual's issues often exist within a context of wider vulnerabilities and always being curious about this.
- Adopting a Think Family approach means that we can work together with service users, families, and other professionals towards the best possible outcomes for our service users.

A Think Family approach means that we identify wider family needs which extend beyond the individual we are supporting. It means that, in relation to safeguarding, while we work primarily with adults, we will still consider the safeguarding needs of children and other family members, and where we work with children in Solihull, we will still consider the needs of vulnerable adults in the family. This aligns with our Trust's approach to safeguarding – that it is everyone's responsibility and for us all to consider in our day-to-day practice.

How have we done?

- The Trust Safeguarding Team have developed a simple Think Family Standard which breaks down what clinical teams need to do so that Think Family is embedded in their everyday good clinical practice.
- The Think Family Standard has been printed into coloured leaflet format and is shared with participants on each of the Level 3 training courses.
- The Think Family Standard was introduced by our Team Lead by way of Listen Up Live.
- Think Family Standard pdf version was uploaded onto the home page of our Safeguarding Hub on Connect. It's prominence on our homepage underlines the fact that it is a central requirement of good safeguarding practice.
- The Think Family approach is integrated into both the statutory/mandatory Level 3 Safeguarding Children and Young People training and the Level 3 Safeguarding Adults Level 3 training. The emphasis of both courses is on the need to meet the holistic needs of a service user and working collaboratively with other services (both adult and children facing where relevant) to meet the needs of the family.
- The Think Family approach was introduced through a Trust wide broadcast of Listen Up Live by our Team Lead with support from the Trust Comms Team.
- The Trust Comms Team have supported the dissemination of the Think Family Standard by designing The Think Family leaflet itself and providing a platform for a month of 'Think Family' news items in Colleague Briefing during December of 2023.
- The Think Family Standard includes a simple outcome statement that our service users should be able to say as follows: 'I am a partner in meeting the needs of my family and keeping them and myself safe along with Trust staff and other professionals'. In making the outcome for service users explicit, we have enabled clinicians to consider how best to tailor their approach to this end.
- The Trust Safeguarding Team commissioned a film maker to produce a short film to be played at Trust induction for all staff. This film delivers the message that a Think Family approach is central to requirements of clinical good practice. This film is also shared in Safeguarding Adults Level 3 training.
- The Safeguarding Hub has a six-minute explainer webinar on the home page to support access to the Think Family Standard.
- The Safeguarding Team worked with support from the Trust Project Management Team who coordinated a Project Board to inform and steer our approach. This work increased accessibility for Trust staff to Safeguarding Team Think Family messaging.
- The Trust Safeguarding Team commissioned safeguarding supervision training and opened this as a resource to clinicians across the Trust. Colleagues attended this training from both adult and children facing services. The principles of the training package were underpinned by the principles of a Think Family approach.
- Two audits were completed focusing on our operational teams' participation in the child protection process.

Expert By Experience Involvement

- Our Project Board recommended that EBE's be involved in the dissemination of messages relating to our Think Family Standard and Approach through training. The idea of making a film of EBE's delivering their views was suggested.
- EBE engagement event was held at Uffculme with support from the Recovery, Participation and Experience Team. This was in advance of the launch of our Think Family Standard. EBE's shared the key messages relating to keeping them and their families safe that they felt needed to be understood by mental health clinicians.

- The key messages from this engagement were used to refine our Think Family Standard and Approach a power point resource and linear document was produced to showcase these messages to staff. These are shared after all Level 3 training and the linear document is on our Safeguarding Hub homepage on Connect.

Measure of Success – comment

- All those clinical staff who require Level 3 training are made aware of the Think Family Standard at Face to Face or live webinar training.
- Expert by Experience consultation took place, and their input supported the refining of Think Family messages delivered to clinical teams.

Think Family Standard statements that relate directly to QA statement:
"Embed a system wide open door approach increasing coordination between children and adult services."

- *See yourself as a part of a wider team around a child. You may not have access to them that allows you to explore their feelings, but key information should be shared with others (EG Social Worker, teacher, health visitor) that do to support their ability to respond to children's needs.*
- *Respond to the 'Voice' or 'Lived Experience' of the child by sharing your insight with other relevant professionals and making referrals to children's services as appropriate.*
- *Where needs are identified, share information with relevant avenues of support and work to engage them on behalf of the family.*
- *Where necessary, apply appropriate challenge to other professionals when needs remain unmet or risks are not controlled following a referral.*
- *Consider young (child) carers – signpost to avenues of support and share information in the best interests of the child with other services who may offer support.*
- *Work in partnership with other professionals to help family members understand the mental health needs of their loved ones and how they can best support them.*
- *Work with other professionals and families to control and respond to risks.*

Using our time more effectively

Our measures of success relating to this priority were defined as:

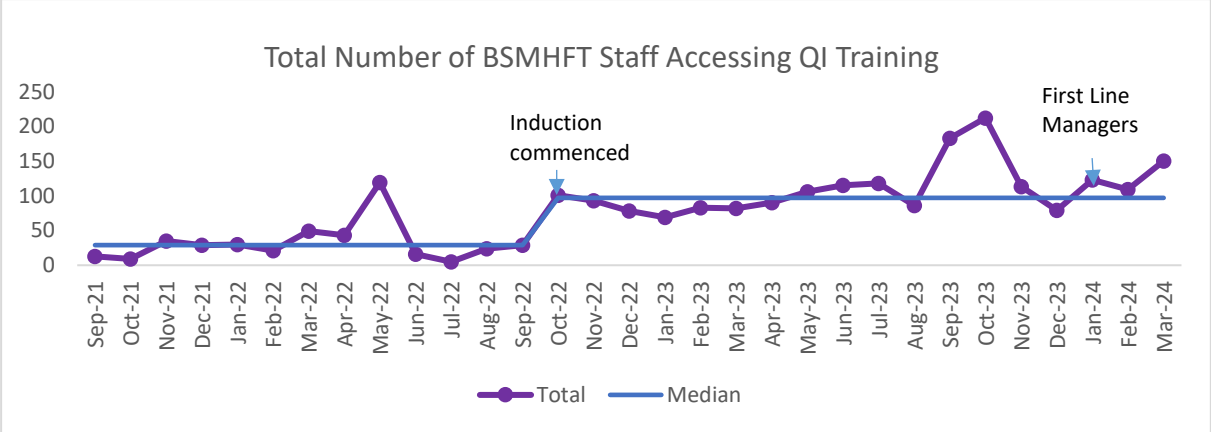
Using our time more effectively	
Engage colleagues and scope how we can use quality improvement methodologies to release time to care	Measures of success: • Number of individuals trained in QI approaches. • Key areas for improvement identified through a process mapping programme. • Reduction in time spent on non-clinical tasks, such as admin.

Why is this a priority?

We want to ensure that patients know that their health is central to everything we do. One of the frustrations that our clinicians regularly feedback is that they spend too much time on non-clinical tasks that reduce the time they are able to spend on patient facing care. Some of the contributing factors to this are a large amount of paperwork, unnecessary duplication, inconsistent expectations and use of our admin functions and systems that do not have effective interfaces.

The QI training academy focuses on two aims. The first is to offer QI at an introductory level, to ensure staff are aware of the methodology, how it can support them and how to access further training and assistance. Further training is then available on how to utilise the QI methodology through bronze and silver training. The training offer continues to evolved and in 2022 a session on the trust induction was introduced, and in 2023 training to first line mangers was developed which commenced in January of 2024.

From April 2023 to March 2024, 1374 staff have accessed introductory training through induction, Intro to QI, the new first line managers programme and various ad hoc training. There have been 110 staff who have undertaken more in-depth training on the methodology via half day Bronze training and 3-day Silver training. This is an increase of 742 on the year 2022/23.



The training evaluations show a high level of satisfaction with the training. The overall training score averages 4.76 and the average rating for the course fulfilling expectations and training needs is 4.7.

The training evaluations show a high level of satisfaction with the training with an increase in individuals delivering against quality improvement initiatives at both a local and corporate level.

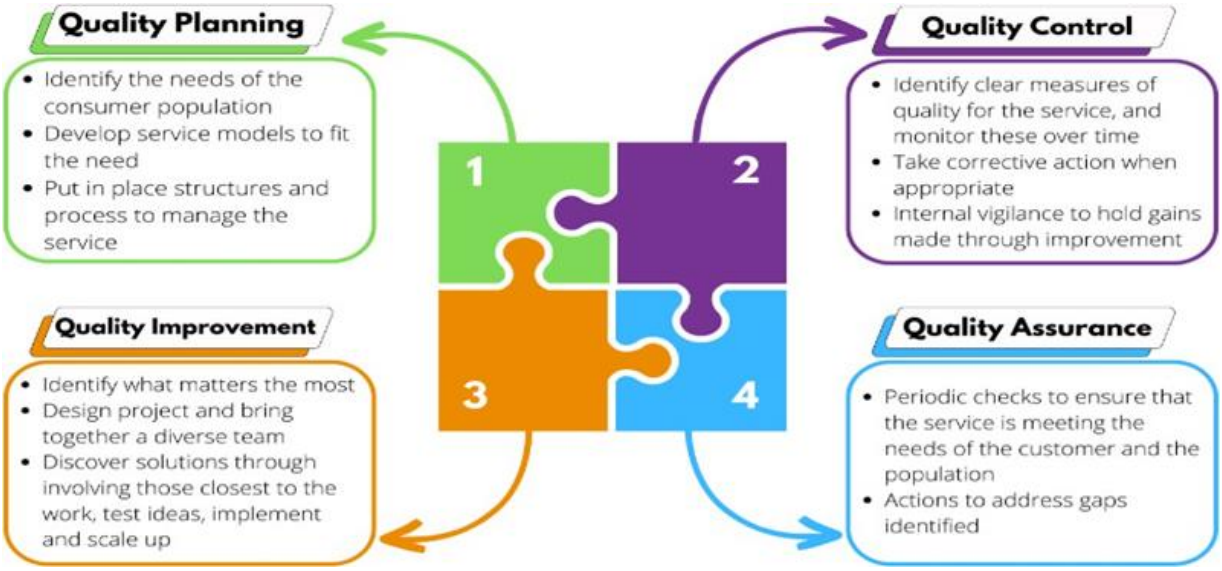
Example of feedback received:

"I have used it to think differently about how we should be setting and measuring the impact of our Trust strategic goals, making them more outcome focused and ensuring we will know that they have or haven't made a difference. I have been involved in QI before but it reminded me of how useful it is and to be honest was a bit of a eureka moment for some work I've been struggling with around demonstrating the impact of our Trust Strategy. I've already used some

of your slide content around the model for improvement and QI principles particularly as we start when talking to teams about linking their work to the Trust Strategy and/or setting goals. I think moving this forward by linking the strategy work with the QMS and QI work is a really exciting opportunity, particularly as we start thinking about how we are going to refresh the strategy ready for 2026. I personally think QI training should be mandatory.

As a Trust we have invested in our approach to quality improvement and want to ensure we are using that methodology and associated tools to identify where we can improve our processes and systems to release more time for direct patient care, to improve their experience and the experience of our clinicians.

We have developed a programme of work using the quality management framework set out below to underpin and assure us of the quality of our services and care on a continual basis, to identify opportunities for quality improvement and to embed quality planning. Working together across services we have developed and agreed a work plant to enhance delivery of patient care. This will help us to act quickly to recognise good care and practice, and equally act quickly where improvement is needed.



Following a review of areas for improvement using the Quality Management System model the Trust has identified a vision for the next five years with the following aim and priorities. During 203/24 32 quality improvements took place. Capacity has been increased to enhance support to projects and team delivery. It is acknowledged core areas for delivery will change over time following delivery of programmes of work and identification of new areas of improvement.

BSMHFT
Best for healthcare quality
Best place to work
Best for co-production

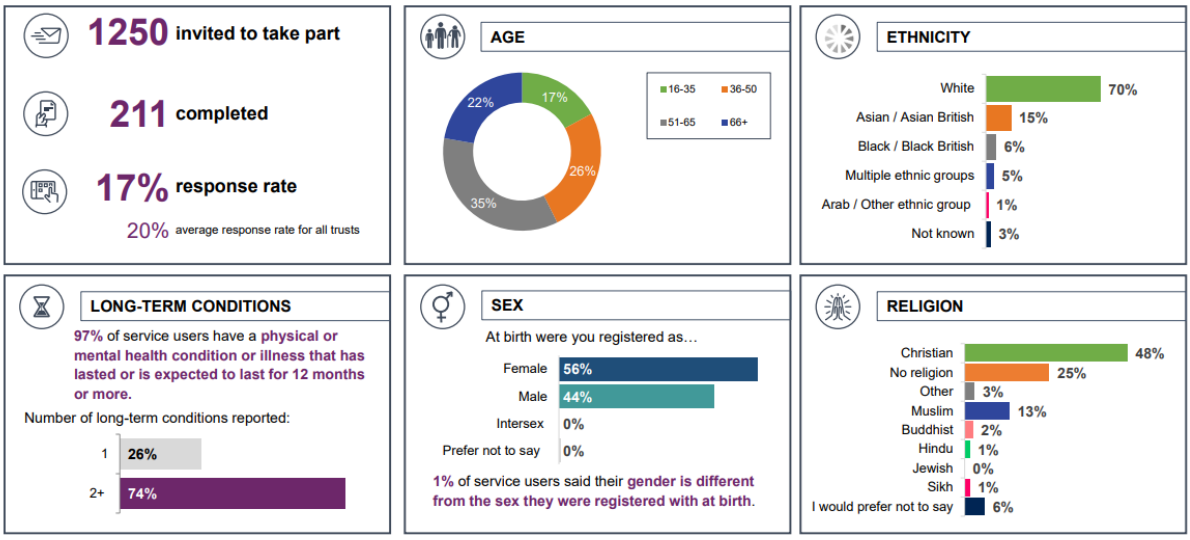
Health inequalities	New ways of working
Reducing restrictive practices	Staff experience
Waiting times	Reducing restrictive practices
Primary and Secondary care gaps	Technological changes

Patient experience

Introduction

The National Service User Survey was undertaken for Birmingham and Solihull Mental Health NHS Foundation Trust between August and November 2023. The sample for the survey was generated at random on the agreed national protocol from all clients on the CPA and Non-CPA Register seen between April and May 2023. A small number of people were included in some samples who said that they had not been in contact with mental health services for a number of years, or that they had never been in contact with these services. In Birmingham and Solihull Mental Health NHS Foundation Trust, no respondents said that they had never seen anyone from NHS mental health services.

Service User Demographics



Results from NHS Community Mental Health Survey

Where service user experience is best	Where service user experience could improve
• **Crisis care support:** NHS mental health team provided support to family/carer when service users have a crisis. • **Mental health team**: service users repeating their mental health history to staff • **Planning care**: service users had care review meeting in the last 12 months. • **Involvement in care:** service users feeling in control of their care. • **Talking therapies**: service users having enough privacy to talk comfortably during talking therapies.	• **Support while waiting**: service users offered support while waiting • **Support in other areas of your life:** service users being given help or support or talking part in an activity. • Support in increasing care: support provided met service user needs. • **Crisis care access**: service users knowing who to contact out of hours in the NHS if they have a crisis. • **Planning care**: service users having a care plan.

Serious incidents

During 2023/24 we successfully transitioned to the NHS Patient Safety Incident Response Framework (PSIRF) that became live on 6 November 2023. We continue to work closely with partners across various agencies which support health and social care in Birmingham and Solihull to complete multi-agency reviews where it was evident that a patient involved in a patient safety incident was receiving care, support or advice from more than one agency. This enables us to take a system wide view on opportunities to improve how agencies can work together for the benefit of patients.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of serious incidents reported	92	78	87	82	78	31

Never events

Never events are defined as serious incidents that are wholly preventable because guidance or safety recommendations that provide strong systemic protective barriers are available at a national level and should have been implemented by all healthcare providers. We are pleased to report that the Trust has not reported any Never Events during 2023/24.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of never events reported	0	0	0	0	0	0

Patient experience

The Trust identified the following key indicators for monitoring the quality of service user and carer experience. These were identified in the previous report and following review, they were still deemed to be a priority.

	2020/21	2021/22	2022/23	2023/24
Patient survey 'do you know who to contact out of office hours if you have a crisis?	59%	67%	64.5%	
Number of complaints	81	109	115	95
Timeliness of complaint handling	100%	99.1%	95.8%	97.9%
% of dissatisfied complaints	Nine returned. (11%)	Nine returned. (8%)	12 returned (10%)	21 returned (22%)
Number of referrals to the Ombudsman	2 Zero accepted for re-investigation	2 Zero accepted for re-investigation	*See Below	*See Below
FFT score	94%	79%		

Further information about the above data:

For 2022/23 and 2023/24

Number of complaints – number of formal complaints opened

Timeliness of complaints – of the closed complaints how many breached:
2022/23 5 out of 118 (4.2%) complaints breached leaving 95.8%
2023/24 2 out of 97 (2.1%) complaints breached leaving 97.9%

% of dissatisfied complainants – sourced from the CIT ReOpened Complaints Tab using the date final response was sent.
2022/23 – 12/115 = 10%
2023/24 – 21/95 = 22%

***Number of referrals to the ombudsman**

All of the final response letters inform complainants that they can go to the PHSO should they not be happy with the outcome of an investigation.

We capture contact information with the PHSO though…

Sourced from the CIT PHSO Cases tab using the Initial Contact Date:
*2022/23 – 9 contacts from PHSO. 1 complaint upheld.
*2023/24 – 9 contacts from PHSO. At time of reporting there are: 4 reviewing to investigate or requests for information, 4 closed with no further actions and 1 proposal for investigation.

Performance against the relevant indicators and performance thresholds

The following indicators form part of the annexes to the NHS Oversight Framework

National mental health indicators

	NHSE Oversight Framework updated in November 2017: National Indicators – 2023/24	National Threshold	2023/24
1	Early intervention in Psychosis (EIP): People experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral.	60%	97.6%
2	Talking Therapies *		
	a) proportion of people completing treatment who move to recovery.	50%	48.1%
	b) waiting time to begin treatment		
	i. within 6 weeks of referral	75%	51%
	ii. within 18 weeks of referral	95%	80%
3	Inappropriate out-of-area placements for adult mental health services (average bed days per month) **	n/a	768
4	Admissions to adult facilities of patients under 16 years old	n/a	0%

* The waiting times for Talking Therapies are below the national targets primarily due to factors outside the Trust's immediate control regarding national shortages of available and trained staff. 2023-24 has focused on recovery of services from Covid 19 which commenced with the reopening of primary care facilities, allowing face to face appointments to be reintroduced. Use of digital appointments also continue to be carried out where appropriate. A system wide forum has been established within Birmingham and Solihull including third sector partners to jointly develop plans to improve the position going forwards. Nationally there is a recognised shortage in the availability of appropriately qualified staff which impacts on the activity levels that can be carried out. A recruitment plan is currently being taken forward working with partners to support training, recruiting and retaining staff. As part of the recruitment strategy, a social media campaign is in place to support rolling adverts for both qualified and future trainee posts. Recovery action plans are also in place and the 6 week waiting times have recovered and at the end of March are 74.8%, just below the 75% national target.

**Due to the impact of COVID-19 on the need for acute and urgent mental health services, it was recognised by NHSE/I that the national target to achieve 0 out of area placements by end March 2022 would not be possible. For 2023-24 a locally agreed reduction plan was agreed with commissioners to reach 328 inappropriate out of Area Bed days by the end of March 2024.

In addition, please note that the average bed days per month for 2023/24 are based on the Standard Operating Protocol agreed with NHSE/I to include 10 local acute private beds to be

classified as 'appropriate placements' from the 1st of October 2022 and admissions to local PICU private beds from the 1st of January 2022. However as recognised by NHSE/I, these changes are not reflected in national MHSDS reporting and will continue to show as being 'inappropriate' placements due to MHSDS data constructs. A trajectory was in place in 2023-24 agreed with commissioners to reduce out of area bed days to 328 bed days by March 2024. This has remained challenging for the trust and a project plan is in place with three key workstreams to better manage demand, reduce inappropriate OOA placements and costs, improve patient experience and optimise services within the resources available. The workstreams include demand management and gatekeeping, development of a locality bed model and and reducing delayed transfers of care.

COVID-19 (2023/2024)

The total number of outbreaks during 2023/24 was 31 (all Covid-19 with the exception of one case of D&V), the breakdown of which is provided below:

Type	Q1	Q2	Q3	Q4
COVID-19	2	9	13	5
D&V	0	0	0	1

Outbreaks 23/24

Month	n Outbreaks
Apr-23	1
May-23	0
Jun-23	1
Jul-23	0
Aug-23	4
Sep-23	5
Oct-23	5
Nov-23	2
Dec-23	6
Jan-24	3
Feb-24	2
Mar-24	2
TOTAL	31

Health and safety performance summary 2023/24

In the last year, the focus of the work of the Health and Safety team has been largely on the following areas:

- Supporting our Clinical and Estates colleagues with the ongoing implementation of the new door monitoring alarm system in Acute Care and parts of Secure Care by developing the prioritisation list for the installation programme for bedroom doors.
- Liaison with an external supplier to develop an electronic system that more effectively tracks and monitors the status of actions arising from risk assessments.
- Ongoing learning from fire drills and fire incidents to improve our fire safety management system.
- Accident and incident investigations to ensure ongoing learning and improvement in our safety culture.
- Ongoing partnership work with West Midlands Police to improve outcomes for those who were victims of physical assault. With the introduction of the dedicated Mental Health leads in the Police, we have seen the investigation of these incidents become part of the core business of initial investigation teams.
- Work also commenced as part of a new work stream with the Trust Reducing Restrictive Practice Steering Group (RRPSG), in an effort to reduce assaults against staff. This work stream has looked at the frameworks we have to support staff, and any barriers to Trust staff when making reports of criminal acts against them during the course of their duties. This work stream is seeking to reduce assaults by a total of 20% by the end of 2024/25.

Other key points to note are:

- The Trust received no Health and Safety enforcement notices and had zero Never Events in 2023/24.
- All Central Alerting System (CAS) alerts were responded to within the given timeframe.
- In 2023/24 there were 28,252 reported untoward incidents, an increase on 2022/23 by 298 incidents.
- Incidents of violence and aggression accounted for 6,632 in 2023/24. Of this figure 1,277 were because of physical assaults on inpatient staff. This compares with 6,262 in 2022/23, of which 1,246 were because of physical assaults on inpatient staff.
- The number of false fire alarms reported in 2023/24 was 95, an increase of 27 on the previous year.
- The number of actual fires reported in 2023/24 was 12. Of these 3 were accidental, 2 were wilful/arson and 7 undetermined. The total figure compares with 37 in 2022/23.
- There were 57 (staff) and 478 (service users) Slips, Trips and Falls incidents in 2023/24. In 2022/23 there were 45 (staff) and 512 (service users) Slips, Trips and Falls incidents. An increase of 26% for staff and a decrease of 6.6% for service users.
- Personal accidents to staff (excluding slips, trips and falls) accounted for 155 reported incidents which is an increase of 2 from 2022/23.
- A total of 36 incidents were reported to the HSE under the requirements of RIDDOR in 2023/24.

Trust Five Year Strategy

We are now at the end of year three of our Trust Five Year Strategy, which was launched in April 2021 following an extensive engagement exercise encompassing every Trust site. The strategy sets our direction of travel, ambitions and priorities for the next five years, and each year we agree a set of ambitious annual goals to focus on during the year to move us towards achieving our ambitions across the four strategic priorities of Clinical Services, People, Quality and Sustainability.

We have made good progress against our goals in all of these areas, with 87% of our highest priority goals rated 'green' or 'amber' at the mid-year point. Just a few of the many areas of achievement include: the Birmingham and Solihull Mental Health Provider Collaborative going live; working with local communities to reduce inequalities; initiatives to improve the health and wellbeing of our staff; continuing our work to transform community mental health services; implementation of the Patient Safety Incident Response Framework including recruitment and training of experts by experience as patient safety partners; development of a new digital strategy to support improvements in care and; further expansion of the shared care record across providers in Birmingham and Solihull to help join up care and improve patient experience.

Key partnerships and alliances

Birmingham and Solihull Integrated Care System (ICS)

The Trust is a key partner and stakeholder in the Birmingham and Solihull ICS, championing mental health, making sure there is a focus on mental health in the design and development of the ICS alongside physical health and social care. At the heart of the ICS will be place based working and provider collaboratives to make sure we are making decisions closer to patients and frontline staff.

West Midlands Mental Health, Learning Disabilities and Autism Provider Collaborative

This is a collaborative of all seven mental health trusts across the West Midlands, comprising BSMHFT, Midlands Partnership University NHS Foundation Trust, Black Country Healthcare NHS Foundation Trust, Coventry and Warwickshire Partnership NHS Trust, Herefordshire and Worcestershire Health and Care NHS Trust, North Staffordshire Combined Healthcare NHS Trust and Birmingham Women's and Children's NHS Foundation Trust.

The purpose of this collaborative is to work across the regional footprint on issues where we need to use scale, pool or access expertise, build resilience, and/or directly support front line staff to manage current pressures. This collaboration at scale will add value, particularly planning for and implementing improvements when working on larger population basis.

During 2023/24, executive teams from all partners have been working collaboratively to develop shared priorities and actions to drive forward the strategic approach of the collaborative. These include: evidencing the value of investment in mental health, learning disabilities and autism; effective use of bed capacity across the region; regional workforce initiatives and addressing health inequalities.

Provider collaboratives for specialist services

Provider Collaboratives are made up of several organisations coming together to make collective decisions about the design and delivery of health and care services around the needs of a particular group of people (for example, people in a geographical area or people with a shared need). We have seen some huge benefits from working together in this way and have been able to invest in new services, repatriate people from out of area services and avoid new out of area placements.

The Trust is a core partner in a number of West Midlands wide provider collaboratives for specialist services:

Adult secure care

Reach Out consists of Birmingham and Solihull Mental Health NHS Foundation Trust (lead provider), Midlands Partnership NHS Foundation Trust, St Andrew's Healthcare and Coventry and Warwickshire Partnership NHS Trust. Our clinical model builds on existing specialist forensic outreach services and joins together secure care and step-down providers, third sector organisations and statutory partners (e.g., criminal justice system and social services) across the whole of the West Midlands to deliver Reach Out objectives.

Perinatal mental health

This partnership consists of Midlands Partnership NHS Foundation Trust as contractual lead provider, with our Trust taking the lead for clinical leadership. These two Trusts provide the inpatient mother and baby units in the West Midlands. Our clinical reference group also involves perinatal mental health community providers in the Black Country, Staffordshire, Coventry and Warwickshire, Telford and Wrekin, and Herefordshire and Worcestershire. This provider collaborative went live in October 2023, with a clinical model that aims to improve access, reduce variation and address health inequalities in relation to perinatal mental health.

Adult eating disorders

The partnership consists of Midlands Partnership NHS Foundation Trust (lead provider), BSMHFT, Coventry and Warwickshire Partnership NHS Trust, Elysium and Priory Group. The clinical model aims for consistency in criteria and standards across the West Midlands with centralised bed management and single point of access as well as improved alignment and joint working between inpatient and community providers.

CAMHS Tier 4

This partnership, with Birmingham Women's and Children's NHS Foundation Trust as lead provider, is a wide-ranging partnership includes NHS and independent sector CAMHS providers across the West Midlands including our Trust. The clinical model aims to improve fragmented pathways, redesign the bed configuration across the region so it better meets need, and reinvest in community and step-down services.

Partnerships to drive transformation

As a large mental healthcare provider, embedded in the local health and care landscape, we have wide-ranging, well-established partnerships across Birmingham and Solihull with criminal justice, community, acute, primary care, third sector and social care services. Working collaboratively to transform services for the benefit of our population is the norm for us and simply part of what we do. Some examples of collaborations to transform services are:

Community Mental Health Transformation Programme

Our model for transforming community mental health services in Birmingham and Solihull has been developed through large-scale co-production with partners across primary care/secondary care/social care/third sector as well as experts by experience (including carers). A strong blended multi-disciplinary team approach, with a mix of providers across NHS/social care/third sector, dissolves boundaries between primary and secondary care, improves professional relationships, quality and efficiency. Service users will experience care and support for physical health, mental health and social needs that is truly joined up and takes account of local population demographics and need in each locality.

Urgent Care Transformation

We are working collaboratively with partners in the system, including the Integrated Care Board, acute trusts and West Midlands Police, to transform urgent care services. This means working as a whole system to ensure that people in mental health crisis receive care in the most appropriate setting for their needs, to provide alternatives to admission to acute mental health wards, and to relieve pressure on Emergency Departments and beds in acute hospitals.

Improving access to Talking Therapies

We are working with system partners, including NHS and third sector providers, to develop a clear Birmingham and Solihull wide NHS Talking Therapies offer (formerly known as IAPT) of which our Birmingham Healthy Minds service plays an integral part. This has included a collaborative three year plan to achieve the national access targets and working together to overcome the challenges to achieving this.

Collaboration to deliver innovative services across boundaries

Commissioners are increasingly tendering integrated healthcare services that are expected to be delivered collaboratively across wider regional and organisational boundaries. As a Trust we embrace this, and in the past year we have worked within new and existing partnerships to retain a range of services through co-development of new and innovative service models. These have included a Midlands-wide partnership to deliver Veterans Mental Health Services, a partnership with physical health and substance misuse providers to continue to deliver integrated healthcare in HMP Birmingham, and successfully retaining our Liaison and Diversion and Mental Health Treatment Requirements services, for which working with criminal justice, third sector and community partners is essential.

Summerhill Services Limited

Overview
The principal activity of the Summerhill Services Limited (SSL) throughout the year was to provide a managed property service and an outpatient pharmacy dispensing services for the parent, Birmingham and Solihull Mental Health NHS Foundation Trust. SSL also provides PFI, Capital and facilities Management consultancy and project management services to other NHS partners within the West Midlands and Nationally.

Our strategic ambitions
We aim to be the preferred supplier of high quality, efficient, clinically focussed services, and sustainable solutions: by delivering the best health care support services in the eyes of our customers, patients, communities, colleagues, and business partners.

We will earn customer respect and maintain engagement through continuous improvement, driven by integrity, innovation, and efficiency.

With expert knowledge and demonstrable results, we will achieve exceptional operating performance, and shape the future of health care environments.

Business model
The company strategy is to provide efficient, clinically focused services and sustainable solutions, through a single point of contact for all facilities management and support services.to our parent Trust and other NHS organisations across the whole of the Birmingham and Solihull health system and nationally.

The company commenced trading on 2 April 2012 and is a wholly owned subsidiary of Birmingham and Solihull Mental Health NHS Foundation Trust (the 'Trust').

The principal activity of the company is to provide a managed property service and an outpatient pharmacy dispensing services for the parent, Birmingham and Solihull Mental Health NHS Foundation Trust. The Company also provides estates and facilities services to the primary care sector within Birmingham and Solihull to over 200 GP practices. In addition, the company provides transport and portering services, net zero carbon management, capital, and project management, PFI performance management and consultancy, and a business monitoring, data driven analysis, and reporting services.

SSL also derives revenue from dispensing drugs which is entirely due from the parent NHS Foundation Trust and its outpatients attending their hospital appointments and supplying the Trust community outpatients' teams and therefore there is minimal commercial, or market risk associated with the company's principal activity. The parent NHS Foundation Trust is reimbursed for drugs dispensed to NHS patients by NHS England and its commissioners; this then becomes the source of the company's revenue stream.

ANNUAL REPORT AND ACCOUNTS 2023/24
The subsidiary operated its twelfth full year of trading between 1 April 2023 and 31 March 2024. The company now owns, leases, contract manages 48 clinical sites across Birmingham. For most

sites, the company provides a full range of high-quality support and facilities management services to deliver a fully managed lease to the Trust.

In addition, the company provides an extensive contract and performance management service which covers 17 clinical sites including nine PFI owned and operated sites.
During the year, the company has continued expanded its services to Birmingham and Solihull Integrated Care System (BSoL ICS), which now includes support on sustainability and capital project management, as well as the existing services of providing expert property and facilities management advice and support to leading GP and primary care network (PCN)providers.

The Company continued to develop its portfolio of services to include a range of transport services, capital project management, as well as a monitoring, data driven analysis and reporting service.

Our warehouse and logistics services continue to provide a pick, pack and dispatch service for all PPE for the Trust. In addition, we have further expanded our services to the trust, which now includes the provision and management of trust staff uniforms and centralizing tissue viability products.

SSL has continued its relationship with Birmingham Community Healthcare NHS Foundation Trust (BCH) to provide dedicated warehouse space for various items.

During the year, the company achieved new contracts and additional revenue from delivering consultancy services and contracts to external NHS trust and the wider health system, including expert consultancy services to Birmingham and Solihull Integrated Care System (ICS), Birmingham Clinical Commissioning Group and other NHS trusts nationally.

The company strategic plan for 2023-2028 is to maintain quality and performance for the Trust across all clinical and non-clinical sites and continue to work with the Trust at all levels from Board to Ward to ensure the optimum level of performance for the healthcare-built environment, review and expand existing services.

In addition, the company will look to continue to expand our services to BSoL ICS, and other external NHS trusts, over the next five years.

Mental Health Provider Collaborative

The BSOL Mental Health Provider Collaborative brings together Birmingham & Solihull Mental Health NHS Foundation Trust, Birmingham Women's & Childrens NHS Foundation Trust (BWC)/ Forward Thinking Birmingham (FTB) and the Voluntary, Community, Faith & Social Enterprise Sector (VCFSE) represented by a VCFSE Panel.

During 2023/24 the Trust became the Lead Provider for the BSOL Mental Health Provider Collaborative. This involved the Trust taking on the responsibility for the commissioning and delivery of the mental health NHS care programme across Birmingham & Solihull.

A new governance structure for commissioning was established to ensure the separation of commissioning and delivery responsibilities for the Trust and as such a new BSMHFT Commissioning Committee was launched in April 2023 with responsibility for the oversight and delivery of both the BSOL Mental Health Provider Collaborative and Reach Out Collaborative.

The guiding principles for the BSOL Mental Health Provider Collaborative are:

- To improve access
- Reduce inequalities
- Improve safety
- Enhance value
- Achieve better clinical outcomes
- Reduce demand

During 2023/24 the BSOL Mental Health Collaborative have:

- Increased the early help support offer for children and young people across BSOL through the further establishment of Mental Health Support Teams for Schools;
- Continued to embed neighbourhood mental health teams in all localities across BSOL, which is supporting shorter lengths of stay for those people in rehabilitative beds.
- Delivered an SMI Annual Physical Health Check Campaign during September 2023 including the development of animation.
- Worked alongside partners to develop a housing with support strategy recognising the need for appropriate and available housing across BSOL.
- Developed a draft 3 year mental health in-patient strategy.
- Expanded the call before you convey for West Midlands Ambulance Service Crews to 24/7 and facilitated system wide planning for the implementation of the NHS 111 Mental Health Option from April 2024.
- Working alongside the Voluntary, Community, Faith and Social Enterprise Sector (VCFSE) commenced the development of a VCFSE charter.
- Increased the number of people accessing Talking Therapies by around 20% on the previous years performance.

The BSOL Mental Health Provider Collaborative will be co-producing the development of an All Age Mental Health Strategy which will be co-produced during 2024 ready for implementation from April 2025. This Strategy will bring together the shared knowledge and insight of our population health needs and insights from communities regarding mental health to help set the vision and priorities for the collaborative strategy.

Reach Out Commissioning

The West Midlands Adult Secure Mental Health, Learning Disability and Autism Provider Collaborative, Reach Out, overseen by Birmingham and Solihull Mental Health NHS Foundation Trust as the Lead Provider, have the benefit of strong clinical leadership, increasing collaboration and trust and transparency across numbers of mental health, learning disability and autism service providers. Over last year the Collaborative has strengthened both in terms of maturity and the improvements it has delivered for the West Midlands population by continuing to work together to breakdown silos, utilising in area resources more effectively, through robust clinical pathway planning and management.

The Collaborative continued to repatriate patients from out-of- area placements and have expanded the forensic mental health community services to care for patients in the least restrictive setting. This was enabled via investment in forensic community teams through efficiencies gained by reducing out of area placements and by focusing to reduce length of stay, re-admissions, and accelerating discharges into the community. There are currently 79 patients placed in out of area beds, instead of 112 patients in October 2021. And similarly, we now have 245 mental health patients in community – this is an increase of 11% since Oct 21, when the Trust took on the delegated specialised commissioning budget.

The Collaborative have been successful in adapting its inpatient offer to best meet the needs of patients. For example, we were successful in decommissioning nine female mental health beds to create a 16 bedded male ward. From a learning disability and autism perspective the service now has greater insight into the demand for services and work is due to commence in aligning service provision to effectively meet this demand. We have recently commissioned the opening of a newly built 7 bedded specialist secure male autism unit to better meet the needs of the patient cohort.

Reducing Inequalities has been a key focus over the last 12 months, with investment being provided to focus on tackling clinical inequalities, especially in mental health services. Physical health checks and health screening has been a focus with improvements made in the number of individuals accessing routine health screening and an increased understanding of health inequalities experienced by individuals from a black, Asian or minority ethnic group within the learning disability and autism cohort. We have also invested in dedicated co-production resources to develop and take these plans forward. We work with experts-by-experience to build their capacity and skills for them to co-produce their care, provide feedback for improvement in their service areas, be an advocate for those who need support in doing so, and bring in invaluable experience, knowledge, and insight to co-produce the Collaborative's commissioning, service development and quality improvement plans.

In the last few months, the Collaborative Partners worked to refresh the strategic aims and objectives to build on the success achieved, and to further improve pathways and meet the needs of the patients more effectively. We will continue to focus on:

- Address inequalities and unwarranted variation in access, experience and outcomes
- Develop a coherent care pathway and ensure services meet the needs of the West Midlands population
- Reduce reliance in inpatient services and develop community services

The new refreshed business case sets out the Collaborative's transformation aims, the investment opportunities and plans to improve care and support patients. Significant discussions also took place with Partner organisations to review and re-establish the governance structure of the Collaborative to ensure plans are developed with staff and patients at ward level, followed by appropriate scrutiny and challenge to support senior leadership of the Collaborative and the Lead Provider to make effective commissioning decisions to support the delivery of the business case aims.

Over the next two years, we will closely work with local Integrated Care Boards and their Provider Collaboratives across the West Midlands footprint to explore opportunities to better interface care pathways and identify joint planning and commissioning opportunities to support seamless discharge of patients into appropriate settings in the community.

Financial performance

Summary financial accounts

This section provides a commentary on our group financial performance for the financial year 2023/24. It provides an overview of our income, expenditure, cash flows and capital expenditure in the year.

The 2023/24 consolidated Group outturn is a surplus of £2.7m. This is after adjusting for the revenue impact of the PFI liability remeasurement under IFRS16.

Late in the financial year, NHSE confirmed that NHS organisations could not count technical benefit arising from a PFI liability remeasurement towards its financial position. This adjustment has meant that the system reported a deficit of £9m, and the Trust out-turn is £1.3m adverse to the £4m surplus expected in the financial re-set submission.

The Group position includes a £2.5m surplus for the Trust and a £288k deficit for the wholly owned subsidiary, Summerhill Services Limited (SSL). The Reach Out Provider Collaborative position is £250k surplus in line with the agreed contribution to Trust overheads. The outturn position for the BSOL Mental Health Provider Collaborative (MHPC) is a surplus of £20k and there was an intra group consolidation adjustment of £214k.

Going concern

The Trust completes a going concern assessment each and every year and checks that this is consistent with the assessment by its subsidiary Summerhill Services Limited (SSL), as there is some degree of interdependence.

Like many NHS Trusts we rely on custom and practice. As in previous years, the Board has stated that it considers that the group has adequate resources to continue in operational existence for the foreseeable future and the accounts have been prepared on a going concern basis. In reaching this decision, the Board considered the medium-term financial plans of the organisation including income and expenditure, the capital programme and associated funding, cash, and financial performance indicators.

The COVID-19 emergency creates many new risks, but the Trust is not at any greater risk than all other NHS organisations.

Financial performance

The Trust wholly owns a subsidiary Summerhill Services Limited, the results of the subsidiary company have been consolidated with those of the Trust to produce the group financial statements contained in this report and referred to in this commentary.

The arrangements for 23/24 continued to support system collaboration with a focus on financial discipline and management of NHS resources within system financial balance.

Our year end position is an operational income and expenditure surplus of £2.7m after considering all adjustments for exceptional items.

Table 1: Consolidated financial performance 2023/24 and 2022/23

	2023-24	**2022-23**
Income from activities	595,291	297,887
Other operating income	30,797	130,829
Total income	**626,088**	**428,716**
Operating expenses	(609,386)	(412,279)
EBITDA	**16,702**	**16,437**
Capital financing costs	(20,915)	(16,005)
Revaluation/(impairments)	(544)	2,249
Profit/(loss) on asset disposal	-	(32)
Corporation Tax	(228)	(390)
Surplus/(deficit) for the year	**(4,985)**	**2,259**
Adjusted financial performance:		
Surplus/(deficit) for the year	(4,985)	2,259
Add back all I&E impairments/(Revaluation)	544	(2,249)
Surplus/(deficit) before impairments and transfers	**(4,441)**	**10**
Remove peppercorn lease I&E impact	**5**	**4**
Remove actual IFRIC 12 scheme finance costs	**14,207**	**-**
Add back forecast IFRIC 12 interest on an IAS 17 basis	**(2,237)**	**-**
Add back forecast IFRIC 12 contingent rent on an IAS 17 basis	**(3,370)**	**-**
Remove PDC dividend benefit arising from PFI liability remeasurement	**(1,494)**	**-**
Retain impact of DEL I&E (impairments)/reversals	-	-
Adjusted financial performance surplus/(deficit)	**2,670**	**14**
Operating surplus margin	-0.71%	0.00%
EBITDA margin	2.67%	3.83%

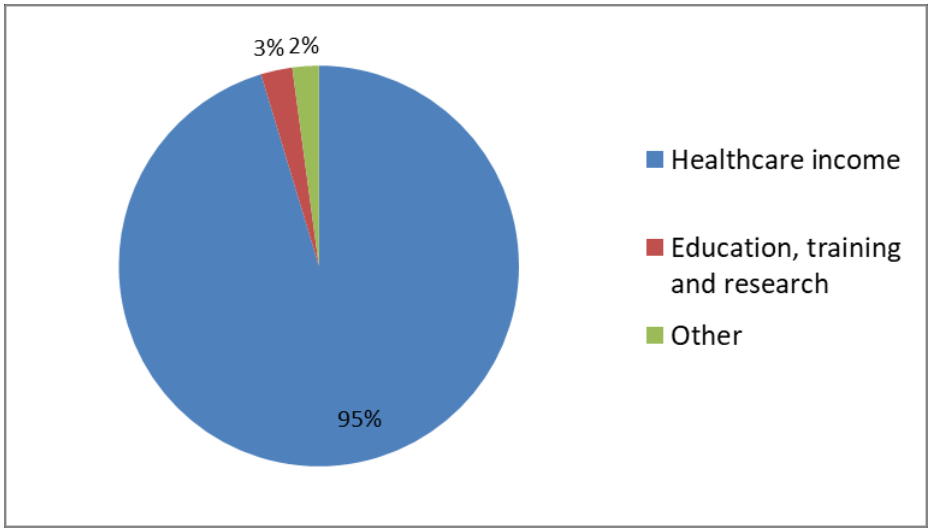
Income

In the financial year 2023/24 the group generated income of £626m, including for the first-time income generated in the course of our responsibilities around the new Birmingham and Solihull Mental Health Provider Collaborative.

The chart below shows a breakdown of our income. Most of our income (95%) comes from our local and national commissioners for the delivery of healthcare services. We continue to be a

major provider of education and training in the West Midlands and so this represents approximately (3%) of our income. The Trust has met the requirement under section 43(2A) of the NHS Act 2006 that the income from the provision of goods and services for the purposes of the health service in England is greater than the income from the provision of goods and services for any other purposes. Under section 43(3A) of the NHS Act 2006 the Trusts other income that has been received has not had a significant impact on its provision of goods and services for the purposes of the health service in England.

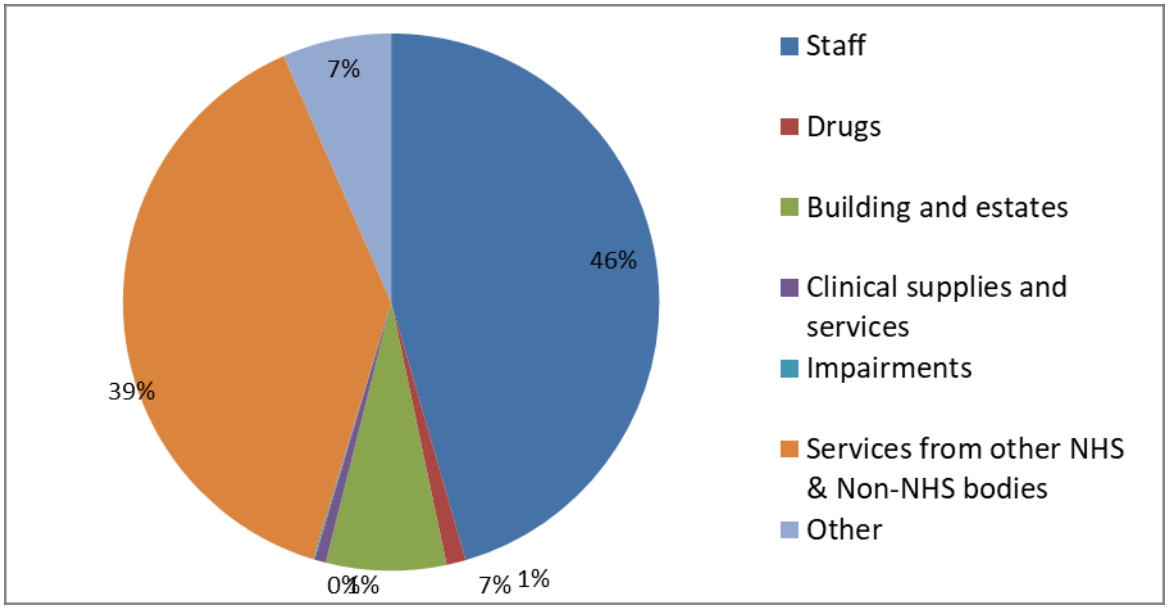
2023/24



Expenditure

The chart shows that our staff are our most valuable and significant part of our expenditure. However, we also operate from over approximately 40 sites across Birmingham and Solihull and so the cost of our estate is also a significant proportion of our overall spend.

Figure 2: What expenditure was incurred by BSMHFT 2023/24



Cash flow

At the end of the financial year, we have a cash balance of £92.2m (this includes Reach Out, the Birmingham and Solihull Mental Health Provider Collaborative and SSL). This position means that our organisation can meet its short and medium-term financial obligations. There were investments made during the financial year as per our agreed Treasury Management approach with the National Loan Funds (NLF) which returned interest receivable over and above the interest received from our main Government Banking accounts (GBS) for part of the financial year.

Overview of capital investment and asset values

The 2023/24 Group capital expenditure is £9.1m in line with forecast. This is £2.9m above the original plan as a result of additional funding via system capital investment fund secured during 2023/24. This has mainly been utilised for essential ICT expenditure for network firewall and proxy infrastructure refresh and storage area network replacement. £0.5m PDC funding was also awarded to support the shared care record programme. The original plan and this additional funding also allowed the Trust to invest £1.4m in supporting the roll out of works to support door set replacements, £1.4m for a new seclusion suite within Ardenleigh, £1.8m for minor projects across the Trust and £1.9m for estates related work on statutory standards and backlog maintenance.

2024/25 Capital plan

Capital availability for 2024/25 will be particularly tight as the SCIF will be held for Sutton Cottage Hospital, an agreed system priority. The best-case capital envelope for BSMHFT is expected to be £6.2m.

External audit

The Council of Governors appointed Forvis Mazars LLP as external auditors of the Trust. The audit fee for the year ended 31 March 2024 was £82.0k (2022/23: £67.0k) for the Trust's annual report and accounts and £26.3k (2022/23: £25.0k) for Summerhill Services Limited, totalling £108.3k (£92.0k for the year ended 31 March 2023) excluding VAT.

From April 2015, NHS foundation trust auditors are required to follow an audit code issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. This was the fee for an audit in accordance with the Audit Code issued by NHS Improvement.

Directors of the Trust have confirmed there is no relevant audit information of which the auditor is unaware and that directors have taken steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

In 2017/18 as part of the new Auditor Guidance Note (https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2020/01/Code_of_audit_practice_2020.pdf) there are now a list of prohibited non audit services, this includes tax services relation to the preparation of tax forms and provision of tax advice. Under the new legislation these services are prohibited. The following threats and safeguards are in place to ensure Auditor objectivity and independence. Forvis Mazars LLP does not support the Company in making/negotiating any

changes/contract/disputes with other parties. The Audit Committee carries out a review of the effectiveness of the External Auditor following the completion of each annual audit, assessing the External Auditor's performance against an agreed framework and seeking the views of officers of the Trust, and reports the outcome of that review to the Council of Governors, together with a recommendation as to whether the External Auditor should be re-appointed for the following year (depending on the length of the contact in place).

Public sector pay policy

Our Trust adopts a Better Payment Practice Code in respect of invoices received from NHS and non-NHS suppliers. The code requires our Trust to aim to pay all undisputed invoices within 30 calendar days of receipt of goods, or a valid invoice (whichever is later), unless other payment terms have been agreed. To meet compliance with this target at least 95 per cent of invoices must be paid within 30 days, or within the agreed contract term. Our Trust's performance against target is summarised in the table below:

Table 2: Better Payment Practice Code performance

	2023/24	2023/24	2022/23	2022/23
	Number	£'000	Number	£'000
Total NHS invoices paid in the period	766	63,275	647	50,216
Total NHS invoices paid within target	740	62,956	641	50,174
Percentage of NHS invoices paid within target	96.6%	99.5%	99.1%	99.9%
Total non-NHS invoices paid in the period	49,611	247,778	39,414	175,153
Total non-NHS invoices paid within target	47,733	242,936	37,886	173,249
Percentage of non-NHS invoices paid within target	96.2%	98.0%	96.1%	98.9%

Management of working capital balances, in particular aged balances, are reviewed on a regular basis by senior management and escalated where necessary.

Financial risks

The Trust has a treasury management policy which is implemented by the finance department. The Trust has assessed that it is not subject to any significant financial risks in relation to financial instruments:

- Currency risk: the Trust is a domestic organisation with the majority of transactions conducted in £sterling, therefore exposure to currency risk is low.
- Interest rate risk: borrowings are from the Government and interest is fixed for the life of the loan, therefore exposure to fluctuations in interest rates is low.
- Credit risk: majority of our income comes from contracts with other public sector bodies and so there is low exposure to credit risk. Cash deposits are only placed on a short term basis with highly rated UK banks or HM Treasury.
- Liquidity risk: operating costs are incurred under contracts with public sector bodies, financed from the Government. Exposure to liquidity risks are considered to be low.

Looking forward

The planning round undertaken for 2024/25 already indicates that the financial position for all NHS organisations will continue to be extremely challenging with reduced levels of growth funding compared to previous years. Pressures around savings, temporary staffing and out of area.

Reducing the cost of fraud in the NHS

Fraud in the NHS is a drain on the valuable assets meant for patient care and costs the health service a substantial amount. The situation is improving year on year as recovery of money, prosecution of offenders and awareness of the issue continues to build. However a considerable amount of money is still lost through patient, practitioner and staff fraud. The NHS Counter Fraud Service aims to reduce this to an absolute minimum, and maintain it at that level. BSMHFT has in place a team of Local Counter Fraud Specialists (LCFS) who are the first line of defence against fraud. Their role includes raising awareness of the risk of fraud among staff, reducing the risk through a programme of proactive work and, in the event of suspicion being raised, conducting formal investigations. To find out more, contact one of the Trust's LCFS contact: Emily Wood, Senior Consultant, RSM UK Risk Assurance Services LLP, Fifth Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, T: +44 113 285 5000 | DL: +44 113 285 502, E-mail: emily.wood10@nhs.net

Additional information

The accounts have been prepared under a direction issued by NHS Improvement under the National Health Service Act 2006. The accounting policies for pensions and other retirement benefits are set out in note 1 to the accounts and details of senior employees' remuneration can be found in the Remuneration Report**.** The NHS Foundation Trust has complied with the cost allocation and charging requirements as set out in the HM Treasury and Office of Public Sector Information guidance.

Summary financial statements

The Annual Report includes summary financial statements. A full set of accounts is available on request by contacting The Executive Director of Finance, Finance Department, Uffculme Centre, 52 Queensbridge Road, Birmingham, B13 8QY.

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 sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures as interpreted and adapted for the public sector by the HM Treasury TCFD aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England. The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24.

During 2023/24, the Trust was a member of the ICS Sustainability Board, where strategic priorities are agreed and established in the efforts towards Carbon Net Zero. The Trust was an integral part of supporting the development of the ICS Green Plan, which was agreed by the ICS Board and the Trust's Board of Directors during the year. The Trust also has its own Green Plan with both named Executive Director and Non-Executive Director leads.

The Trust has reported, via its Annual Reports, on Environmental Sustainability for many years, detailing progress and activities that the Trust has undertaken.

The Trust has undertaken many other trust-wide interventions in support of this challenging agenda, and details on the Trust's progress on the Green Plan and sustainability activities during 2023/24 are set out within the Annual Report (Sustainability and Climate Change 2023/24).

Independent inspections, assessments, and awards

Registration with the Care Quality Commission (CQC)

Birmingham and Solihull Mental Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is unconditional. BSMHFT has no conditions on registration.

Birmingham and Solihull Mental Health Foundation Trust had the following conditions on registration, but they were removed by the Care Quality Commission in December 2023:

1. The registered provider must take steps to address the ligature risks across all wards by 18 June 2021.

2. By 29 January 2021 the Registered provider must implement an effective system to improve risk assessments and care planning. The Registered Provider must report to the Commission on the steps it has taken in connection with this by 5 February 2021.

3. By 4 January 2021, the registered provider must inform the Commission of the order of priority in terms of addressing the ligature risks and timescales for addressing the ligature risks across each ward.

4. Commencing from 5 February 2021 the registered provider must report to the Commission on a monthly basis setting out progress being made in respect of including mitigating measures being put in place until all ligature risks are addressed.

5. Commencing from 1 March 2021, the Registered Provider must report to the Commission on a monthly basis the results of any monitoring data and audits undertaken that provide assurance that the system implemented is effective.

The Care Quality Commission has taken enforcement action against Birmingham and Solihull Mental Health NHS Foundation Trust during 1 April 2023 to 31 March 2024. Two Section 29 notices were issued to Community Mental Health teams and the Trust provided action plans to the Care Quality Commission to address the points raised.

Social, community engagement, anti-bribery and human rights issues

Community engagement

A bit about us

Our community engagement team works closely with staff members and community groups to ensure local people are consulted and involved in developments or changes to services provided by the Trust.

The team also undertakes a significant amount of work with local communities to tackle the stigma associated with mental health and to reduce the barriers to getting the right help at the right time. The team is always very keen to hear from individuals and community groups with suggestions on how the Trust can better engage with local communities and support them in taking more responsibility for their own wellbeing. Below is some of the work and projects the team has undertaken for the last 12 months:

Refugee Awareness Week

Over the past few years, BSMHFT has supported the mental health and wellbeing needs of over 200 Syrian refugees. During Refugee Week in 2023, we aimed to recognise the resilience of Birmingham's 516 Syrian refugees whilst shining a light on some of the work that we have done to support them.

Older Adults Events

A number of Silver Sunday events were held at BSMHFT during the year. Initially launched as a local campaign to tackle loneliness and isolation, Silver Sunday is now a national day where people of all generations can come together by hosting fun and free activities for older people.

It is a day where older people can make new friends, visit new places and learn new skills. We showcased some of the groups and services available to older adults in Birmingham and Solihull to improve mental health and wellbeing.

Unity FM - What shape are you in?

Beresford Dawkins is our Community Development Lead, and he is one of radio station Unity FM's most experienced presenters. He produces and presents a weekly show at 4pm on a Wednesday, *What shape are you in?* and in doing so has enabled the station to reach out to tens of thousands of people in the Birmingham and many more online. Beresford is passionate about helping those in our local communities who need support to manage their mental health. He inspires his listeners, many of whom come from the most vulnerable in our communities. Colleagues and service users from BSMHFT are regular guests on his show along with diverse organisations including Birmingham Safeguarding Children Partnership, Mens Project Birmingham, Birmingham City Council, West Midlands Police and various Mosques.

Anti-bribery

We are committed to full compliance with the Bribery Act 2010 and have a zero-tolerance approach to bribery and corruption, undertaking due diligence on third parties with whom we work to ensure they have high ethical standards, and our reputation will not be compromised by our association with them. Our latest Counter Fraud and Anti-Bribery Policy was ratified in July 2022 and established a framework that:

- improves the knowledge and understanding of everyone in the Trust, irrespective of their position, about the risk of bribery and its unacceptability.
- assists in promoting a climate of openness and a culture where staff feel able to raise concerns sensibly and responsibly.
- sets out the Trust's responsibilities in terms of the deterrence, prevention, detection and investigation of bribery and corruption.
- ensures the appropriate sanctions are considered following an investigation.

This policy works in conjunction with the Declarations Policy which was ratified by the Audit Committee in April 2024 and provides guidance on the process to be followed should any circumstance of actual or potential conflict of interest emerge, or any sponsorship, gifts and/or hospitality be offered to any member of staff by commercial organisations or generally in the course of the performance of their duties.

The Trust undertook a Fraud Risk Assessment audit in June 2023 with the view of fully establishing its fraud and bribery risk profile and susceptibility while being able to visualise and understand the fraud risks it faces, in order to proactively mitigate and reduce them. Whilst the audit identified areas of good practice, it also identified some gaps which are currently being addressed through a management action plan with Audit Committee and Board oversight and scrutiny.

Human rights

The Human Rights Act underpins the requirements of the NHS Constitution and speaks directly to the requirements for Freedom, Respect, Equality, Dignity and Autonomy to be provided to all.

Our approach to embedding Human Rights principles in all parts of our people, systems, and processes. Taking a Human Rights based approach enables an environment where opportunities can be maximised with clear accountability. Practically this means creating an enabling environment through actively challenging stigma, as seen through our Behind the Badge campaign. This campaign takes an active approach to addressing the challenge of mental health stigma with our own workforce, supported by our Disability Neurodivergence network. Taking a focussed approach to service user experience is explored through the reducing inequalities work focussed within Secure Care service under the Patient Carer Race Equality Framework, a national framework with BSMHFT being a pilot site.

Organisationally we have worked consciously with intent in creating an approach to reducing inequality through the Value Me approach, this strategic approach highlights the active intention of To enable the right ingredients for an Inclusive culture which is Anti racist and Anti

discriminatory for all to Improve access, experience, and outcomes for our people. The Anti racist, anti-discriminatory approach is further reinforced through the development of a specific policy supported with guidance and a practical framework that highlights positive indicators for anti-racist, anti-discriminatory colleagues, practitioners, and leaders. Practically this is further supported by the roll out of the Active Bystander training which has now been experienced by 200 colleagues across the Trust.

Our induction training programme has included an introduction to human rights since November 2013, this is experienced by all colleagues within the Trust, and this is also part of the equality and diversity e-learning programme. The Equality Analysis Guidance and Assessment Tool considers human rights and the tool forms part of our project management system. Protection of human rights is covered in our new Equality, Inclusion and Human Rights Policy, which was identified as good practice in 2022. Equality and human rights analysis are considered as part of all papers submitted to the Trust Board and its committees. Training on the effective use and application of Equality Impact Assessments has been positively received with over 50 taking part since beginning in March 2023.

Important events since the end of the financial year

There have been no significant events since the end of the financial year affecting our Trust.

Overseas operations

The Trust has no operations outside of the UK.

Sustainability and climate change 2023/24

Carbon Net Zero – Our Green Plan

The Sustainable Development Annual Report for 2023/24 highlights the progress being made in regard to this challenging and ever-changing agenda. This report not only includes the progress being made within BSMHFT but also details some of the resource challenges being experienced and many of the ongoing workstreams.

Furthermore, this report is reflective of the BSMHFT Group which for the avoidance of doubt incudes that of its wholly owned subsidiary Summerhill Services Ltd (SSL).

Carbon Net Zero – Our Green Plan

This document considers the significant progress made by the NHS and BSMHFT in moving towards national net zero targets. Indeed, the first target for the NHS of delivering an 80% reduction in CO2 by 2030/2032 is well on the way to being achieved. It must be recognised, as this is not always made clear, that the NHS had already achieved a reported 62% reduction against the 1990 Carbon baseline and thus the 2030/32 target requires the NHS to both maintain the reductions made to date (as measured in 2019/20 against 1990 baseline) and secure an additional 18% worth of Carbon reduction.

Locally and consistent with NHS E guidance / Carbon Net Zero Strategy the BSMHFT plan has been written using a 2019/20 baseline (pre pandemic) including a Carbon reduction trajectory that would help enable 2030/32 to be met and or exceeded by BSMHFT.

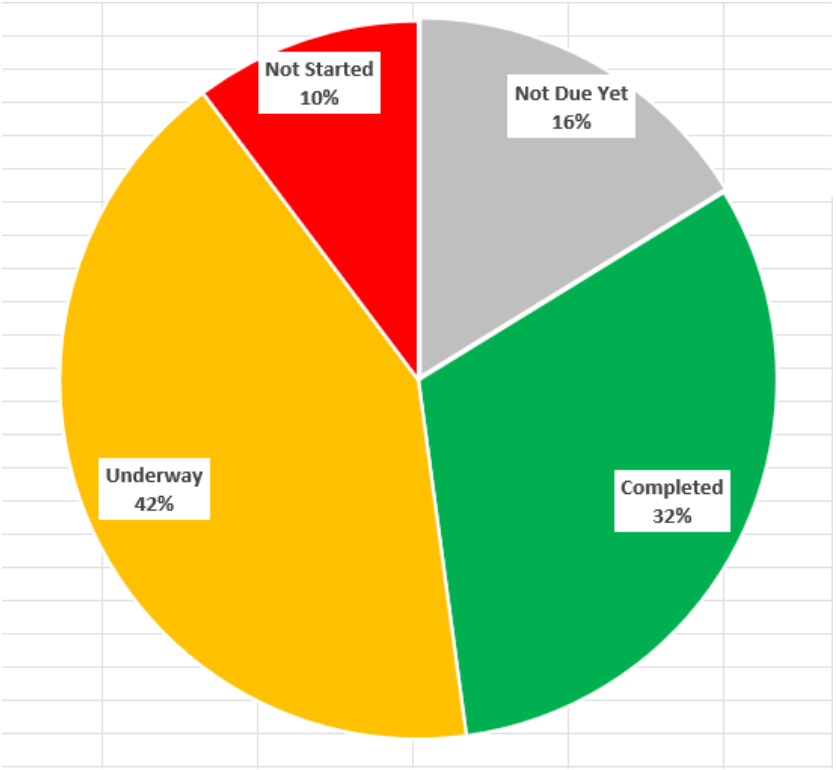
Key measures attributable to the success of the Green Plan to date:

- Governance: A robust Governance framework has been established. Executive Director lead and Non-Executive sponsor with established steering group and reporting framework
- Plan: The Plan itself being ratified and written to support interventions and positive change.
- Green Steering Group: This Steering Group being chaired at Director level and encompassing thematic leads from across the organisation (both BSMHFT and SSL)
- Communications: Supporting in the 'drip feed' of messages / challenges / opportunities and incentives across the Trust to help keep staff engaged.
- Ownership: Moving to take Carbon net Zero / Green from being a 'project' to making it Business as Usual
- Resource: Without Financial resource to make the necessary changes (especially the move away from gas as the primary heating source) the targets will not be achieved.

Achievements 2023/2024

Considering the very many targets within the Trusts Green Plan it is encouraging to report that considerable progress has and is being made – whilst recognising that there is much more to do.

The pie chart below summarises visually the progress being made:



Expanding in a little more detail:

Electricity – All directly procured electricity being purchased from low / zero Carbon sources.

Public Transport – 4-week free Public Transport taster passes being offered for all new starters.

Public Transport – A new scheme being piloted to allow patients within deprived areas free public transport travel to and from appointments. Hopefully impacting positively on non-attendance at appointments

Public Transport – 10% cost reduction of Travel passes for NHS staff – indeed 2023/24 has seen an 800%+ increase in Public Transport travel pass usage.

Waste – Less than 1% of all waste arising going to landfill. Having also introduced food waste recycling at all Trust sites with production kitchens. With this food waste being used to generate heat and energy via anaerobic digestion

Electric Fleet – having circa 25% of the Trust General Transport fleet vehicles now being EV / Hybrid EV.

Cycling – Providing free cycle maintenance sessions for BSMHFT and SSL staff – helping to encourage both healthier lifestyles and reduced car journeys.

Heat Decarbonisation – An application for Salix grant funding (heat decarbonisation project at the Northcroft site) was successful in achieving £640K of grant funding. To claim this Grant funding the Trust needed to provide circa £850K of Capital match funding split over 2024/25 and 2025/26 financial years. Unfortunately given Capital availability the Trust was unable to meet the match funding required and the grant offer was withdrawn under Trust direction. Further preparatory works will be undertaken to enable the Trust to consider future Salix or similar Grant applications.

Laundry – The new contract being finalised by SSL will see the potential appointment of a provider with strong Carbon credentials, using a lower temperature wash system and mitigating the need for polythene wrapping on laundry.

The closure of B1 and the subsequent re-use and recycling of the B1 furniture has seen over 1000 items of furniture reused across the BSMHFT Group estate. In addition, charities and community organisations have also benefited. This amounting to a financial cost avoidance (against new) of circa £150K and associated Carbon savings relating to the diversion of waste from landfill.

Dressings / Tissue Viability eradication of wastage – In creating a central purchasing, storage and distribution service for these products has seen financial and environmental efficiency savings and waste avoidance. Over ordering has stopped, leading to less wastage with products not going beyond expiry dates or being incorrectly ordered. Also allowing from point of order to final delivery normally within 2 working days maximum – representing service quality improvement for Clinical teams.

Recruitment – Moving to ‘e’ recruitment via ‘On base’ for new starters alone saving in excess of 20,000 pieces of paper per annum (plus the additional purchase storage, transportation and disposal costs and carbon impact)SSL General Transport – reviewing and developing routes and processes so as to reduce mileage and carbon Impact and in turn mitigate the mileage associated with return / empty journeys. Aim is not to have ‘dry’ / empty runs.

Communications – An example of the effective and positive communications throughout the year a ‘cost of living – energy saving’ pocket guide has also been issued to all Trust sites for staff / visitors to read and take away.

<u>ICS Green Board / Plan</u>

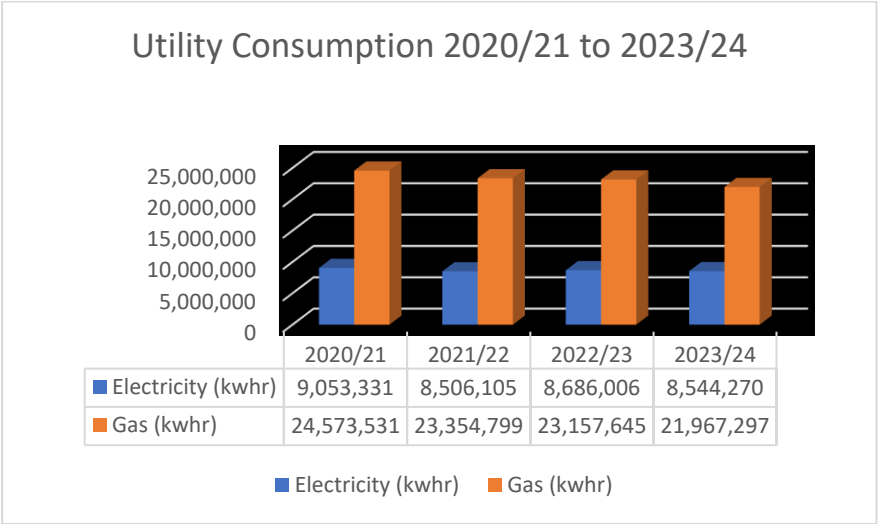
It should also be recognised that SSL management have been supporting the BSol ICS / ICB in reviewing and re-writing their Green Plan, defining priorities, and establishing a Governance structure and reporting framework. This being a temporary appointment at this time but positively received by the ICB.

Data Analysis: Performance in 2023/24

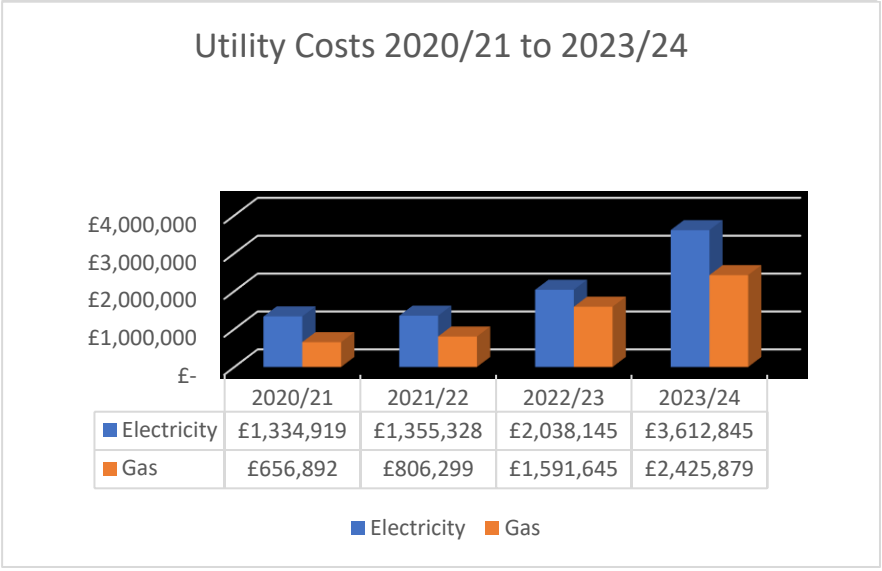
Unfortunately, during 2023/24 the Trust and SSL experienced steep Gas and Electric prices due to a locked contract where energy had been unavoidably procured at inflated prices (despite robust energy procurement via Crown Commercial Services contracts which enabled the Trust to still procure energy at less than the Government cap price). The good news for 2024/25 is a move to flexible purchase options which should deliver significant cost reductions.

Positively in terms of energy consumption the total gas and electricity kwhr consumption decreased by **4%** between 2022/23 and 2023/24 representing an additional cost avoidance of circa £240k.

In terms of consumption and costs in a little more detail please note below:



	2020/21	2021/22	2022/23	2023/24
Electricity (kwhr)	9,053,331	8,506,105	8,686,006	8,544,270
Gas (kwhr)	24,573,531	23,354,799	23,157,645	21,967,297



	2020/21	2021/22	2022/23	2023/24
Electricity	£1,334,919	£1,355,328	£2,038,145	£3,612,845
Gas	£656,892	£806,299	£1,591,645	£2,425,879

Waste management: The Trust group produced 903 tonnes of waste (a 3% decrease on 2022/23). Of this waste 20% was recycled, with an additional 79% being either alternatively treated or used as a refuse derived fuel. Again, less than 1% of waste going to landfill. A sustained and significant achievement

Water: The Trust Group used 121,454 m3. This being 19% higher than that consumed in the 2022/2023 financial year. It is considered that the main reason for this increase being the increased need for 'flushing' particularly across the Highcroft estate to manage water temperatures, quality and risks. Indeed, locally consumption across the Highcroft estate was double that of the previous year. Financially meaning that water costs for 2023/24 were £440K

being circa 21% greater than that in 2022/2023. This increase being due to the increased usage and RPI equivalent uplifts.

In terms of Carbon (CO2e) performance BSMHFT Group at 2023/24 having achieved a significant cumulative 42% reduction against its own 2019/20 baseline.

BSMHFT Carbon Footprint	2019/20		2020/21		2021/22		2022/23		2023/24	
Emission Source	Consumption	tCO2e	Consumption	tCO2e	Consumption	tCO2e	Consumption	tCO2e	Consumption	tCO2e
Natural Gas in kWh	22,984,359	4,775	24,573,531	5,106	23,354,799	5,010	23,157,645	5,001	21,967,297	4,018
Electricity - grid supplied in kWh	9,850,040	3,112	0	0	0	0	0	0	0	0
Electricity - zero / lo carbon in kWh	0	0	9,053,331	498	8,506,105	672	8,686,006	589	8,544,270	579
Water Consumption m3 (inc. treatment)	96,896	99	92,405	94	92,821	38	99,216	40	121,454	49
Waste Arisings in tonnes	991	41	820	39	845	49	932	39	903	22
Fleet Vehicles in litres of fuel	58,119	185	55,091	172	57,431	178	56,349	177	63,108	165
Business Travel, inc. Grey Fleet in km	2,455,410	563	1,089,634	236	1,184,535	261	1,184,535	261	1,287,242	208
TOTAL tCO2e		8,775		6,145		6,208		6,107		5,041

Workstreams 2024/25

Priorities for 2024/25 being to continue to make the Green plan happen! To further embed its targets and messages into everyday business / business as usual.

More specifically this will include but not be limited to:

- ICS – This is very positive for BSMHFT as SSL Management have been supporting the ICS on its Green / Sustainability Agenda. For 2024/25 this is initially to continue but the remit and resource implications will need to be considered moving forward.
- Energy – Working with BSol procurement and NHS E to enable electricity and gas procurement to benefit from Crown Commercial Services best value contracts – aiming to deliver financial best value whilst procuring the same for renewables and / or low zero carbon supplies.
- Commence work with BSol procurement on ICS wide waste tenders (for 2026 contracts) – aiming to deliver financial and environmental best value across the System.
- Continue to support Staff across BSMHFT and SSL to help them feel that they can make a difference, make positive changes, trying to keep ideas and communications 'fresh and real'.
- The Trust needs to embrace Climate Change Adaption and start to plan how its Services and Buildings can where necessary be adapted to meet climate needs, mitigating the impact on its staff, patients and others.
- The Trust needs to understand the Travel basis and needs of its workforce so that it can help to plan for that necessary 'modal 'shift away from the car and specifically the combustion engine. A Travel survey being necessary during 2024/25.
- Decarbonising of Heat supply – This is a massive challenge to the NHS and BSMHFT. At the present time alternatives are more expensive than the equivalent gas fuelled systems both in terms of capital purchase price and recurring revenue costs. As such currently there is no financial ROI. The message and challenge from Government / NHS E being that the Public Sector (inc NHS) should decarbonise its heat supply.
- Waste - to continue to support the waste management hierarchy by introducing waste recycling schemes and where applicable additional food waste recycling initiatives.
- From a Procurement perspective to continue to work with suppliers and the wider supply chain to reduce / remove single use plastic items from the Trust. This aligned with making better use of the resources that are procured / re using them where possible within the Trust and avoiding whenever possible wastage.

- Capital – Developments such as Highcroft and Reaside will follow the full Green initiatives including off-site modular construction, use sustainable building materials, and look to green fuel sources. Other routine Capital and Revenue schemes will continue (risk focus to include the risks associated with Sustainability and Net Zero Carbon) with the inclusion of AEDET, BREEAM Excellent and Net Carbon Zero buildings standards. Financial assessments to include the principle of whole life costing rather than tender decisions made solely on purchase price
- Continue to develop joint working with Trade Unions and Staff groups to provide advice, direction and support regarding for example energy saving opportunities / public transport discount schemes and waste recycling opportunities. Focusing on environmental and financial efficiencies and the feel-good factor!
- Medicines – To continue to work with procurement and supply chain re the supply of medicines and greening that supply chain.
- Fleet – To continue to 'green' the fleet by leasing LEV / ULEV vehicles.

Finally, the aspirational challenge for BSMHFT (inc SSL) would be to be in a position where a Green Plan or equivalent was not actually necessary. This being that the objectives / targets and ways of working would be embedded in what 'we do' and 'how we do it' to such an extent that a separate plan would add no value – this being a real measure of success!

Accountability report

The Trust's directors take responsibility for preparing the Annual Report and Accounts. We consider the annual report and accounts, taken a whole, is fair, balanced, and understandable and provides the information necessary for patients, regulators, and other stakeholders to assess the Trust's performance, business model and strategy.

This accountability report is signed in my capacity as Accounting Officer.

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Directors' report

Statement of responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Birmingham and Solihull Mental Health NHS Foundation Trust

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

NHS England has given Accounts Directions which require Birmingham and Solihull Mental Health 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 Birmingham and Solihull Mental Health NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care 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.
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Roísìn Fallon-Williams
Chief Executive

20 June 2024

The Board of Directors

Role and function of the Board of Directors

The Board of Directors (the Board) has overall responsibility for defining the Trust's strategy and strategic priorities, vision, and values, for the overall management and performance of the Trust and for ensuring its obligations for regulators and stakeholders are met.

The decisions reserved for the Board of Directors and the delegated discharge of its responsibilities is set out under a formal Scheme of Delegation which clearly defines the allocated responsibilities for making and approving decisions relating to Trust business. A formal schedule of matters reserved for the Board is a demonstration of the fact that the main decision-making powers belong to the Board of directors.

The Board of Directors meets 6 times per annum. Post-covid, our Board has moved from being hybrid to meeting face-to-face in public with members of the public welcome to attend to observe proceedings.

Strong governance is required to ensure the Trust is managed well and effectively complied with regulations and national standards. Birmingham and Solihull Mental Health NHS Foundation Trust is committed to effective and comprehensive governance, which focuses on developing organisational memory, capacity, capability and skills to deliver both commissioned and mandatory services. The following sections set out the Trust's governance arrangements, giving details of the ways in which the Board of Directors and Council of Governors work.

It is the responsibility of the Board of Directors to prepare the Annual Report and Accounts and ensure they are a fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

The Board ensures that adequate systems and processes are maintained to deliver the Trust's strategic and operational plans, measures and monitors the Trust's effectiveness, efficiency and economy and delivering high quality services. Directors are responsible for setting the Trust's strategic direction, providing effective leadership within the external regulatory and internal control frameworks.

The Chief Executive, as Accountable Officer, adheres to the NHS Foundation Trust Accounting Officer Memorandum regarding advising the Board and Council and for recording and submitting objections to decisions.

Our Board of Directors operates in accordance with the Trust's constitution and scheme of delegation. The constitution sets out the duties of the Board and Council of Governors, and the scheme of delegation sets out the type of decisions to be taken by the full Board and/or individual directors.

BSMHFT's last CQC inspection was between October 11 to 26, November 8 to 10 and December 13 to 15 2022. The final report was published on 14 April 2023 and provided a Requires Improvement (RI) rating for the Trust as a whole, with an RI rating for the well-led and effective

domains. The Caring and Responsive domains were rated overall as Good. The Trust is taking significant steps to address the concerns which have been raised by the inspection teams through the implementation of a comprehensive action plan. NHS England expects foundation trusts to carry out an external review of their governance arrangements every three years.

The Board is committed to the continued development of good governance practices and has been focused on the refinement of the Board Assurance Framework and the way it is utilised and reviewed at Committee and Board level. The Board continues to review its strategic risks to ensure they are fit-for-purpose.

Statement of compliance with the Code of Governance

The Code of Governance is best practice guidance and is designed to assist NHS Foundation Trust Board in improving their governance practices by bringing together the best practice of public and private sector governance. The code sets out a common overarching framework for the corporate governance of NHS foundation trusts and complements the statutory and regulatory obligations on them. Birmingham and Solihull Mental Health NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

Composition of the Board

The Board has six Non-Executive Directors (including the Chair who has a casting vote) and six Executive Directors (including the Chief Executive). The appointment of the Chair and appointment/re-appointment of Non-Executive Directors is approved by the Council of Governors. The appointment of the Chief Executive is by the Non-Executive Directors subject to approval by the Council of Governors.

Meet our Board of Directors

Balance and Completeness of the Board of Directors

The Executive and Non-Executive Directors of the Board provide a balance and breadth of knowledge, experience and skills. The Executive Directors have at a senior level considerable NHS experience in a range of areas including finance, medicine, nursing, strategic and operational planning, research and workforce development. Their expertise is complemented by the Non-Executive Directors who have extensive private and public sector experience in psychiatry, business, commerce, accounting, audit, research, management and leadership, marketing, NHS service provision, health care and social policy, and local enterprise.

The Council of Governors and Non-Executive Director-led Nomination and Remuneration Committees consider the balance and breadth of knowledge, experience and skills required on the Board at each appointment and reappointment of directors and have ensured the maintenance of a balanced and complete Board throughout the year.

The Chair has no other significant commitments.

Board of Directors Skills, Expertise and Experience

Phillip Gayle, Chair

Philip Gayle joined the Trust as a non-executive director on 1 October 2019 and served as interim Chair from November 2022 – March 2023 following the resignation of the Chair. Philip is Chief Executive at Servol Community Services, a third sector organisation that provides accommodation and support services for people experiencing mental health difficulties. He has extensive knowledge and leadership experience within the health, social care, and housing sector as well as expertise and specialised skills as a business consultant and in transformation and improving business performance. Philip has been an independent consultant for TRIBAL, an assessor for national funding applications for government schemes, where he gained key insight into government contracts and procurement. He is a qualified counsellor and has an MSc in Healthcare Policy Management from the University of Birmingham. Philip has previously held several NHS board positions and is a non-executive director at Walsall Healthcare NHS Trust.

Roísìn Fallon-Williams, Chief Executive Officer

Roísìn Fallon-Williams joined the Trust as its designate Chief Executive on 1 March 2019 became the Accountable Officer on 29 March 2019. Roísìn is a Registered Learning Disability Nurse who spent much of her early career in clinical roles in and around Hertfordshire, within mental health and learning disability NHS organisations. She took up her first Board director role in 2002 at Hertfordshire Partnership NHS Trust, and since then has held a variety of Board roles with a wide range of responsibilities including seven years at Coventry and Warwickshire Partnership NHS Trust. Most recently she was Chief Executive at Norfolk Community Health and Care NHS Trust, which achieved an 'Outstanding' rating from the Care Quality Commission during her time there.

Patrick Nyarumbu, Executive Director of Strategy, People and Partnerships/Deputy Chief Executive Officer

Patrick Nyarumbu was appointed as the Executive Director of Strategy, People and Partnerships in November 2020 and was previously Director of Nursing, Leadership and Quality for NHS England and NHS Improvement (East of England). Patrick is a mental health nurse by background and has worked and in a wide range of NHS organisations covering mental health, acute and specialist services as well as a Primary Care Trust and a Clinical Commissioning Group. Patrick is passionate about leadership development, talent management and championing diversity.

Dr Fabida Aria, Executive Medical Director

Fabida Aria was appointed Executive Medical Director for BSMHFT in August 2022. Fabida is responsible, among other things, for medical, psychology and pharmacy leadership at the Trust. Fabida is a consultant psychiatrist and previous has been a medical leader for Leicestershire Partnership NHS Trust since 2013 and a system leader in the region in the last few years. She has been associate medical director for mental health services in adult, older adults and learning disability patients. She brings a wealth of clinical leadership experience and many initiatives she led have been recognised nationally.

She is a Fellow of the Royal college of psychiatrists and also has done a Masters in healthcare leadership. She holds additional roles at the Royal College of psychiatrists including Chair of the Transcultural Psychiatry Special Interest Group and Specialist Advisor for the medical trainee initiative scheme. Fabida is passionate about engaging people, promoting innovation, research and collaborative working. She will provide clinical and strategic leadership on the board.

Vanessa Devlin, Executive Director of Operations

Vanessa Devlin was appointed as the Executive Director of Operations in September 2019, having been an Associate Director of Operations with the Trust since May 2013. Vanessa has a background in nursing, having been an RMN (registered Mental Health Nurse) with North Birmingham Mental Health Trust for 10 years, before moving over to the management side of care services. From 2006 up until the time she joined the Trust she held posts within West Midlands Commissioning Boards leading on the strategic development of mental health services within the NHS and Local Authority. Vanessa is very committed to delivering quality mental health services to our population and believes that service users and carers should be at the forefront of development, delivery and monitoring of our services at all levels.

Dave Tomlinson, Executive Director of Finance

Dave Tomlinson joined the Trust as Executive Director of Finance in April 2017. Dave brings 20 years' experience as a Director of Finance in the NHS, the vast majority of which has been with large mental health providers. He plays a key role in advising the Board on issues around the Trust's fiscal performance, information governance and estates. Dave's experience includes 12 years as Director of Finance at Lancashire Care NHS Foundation Trust where he established the Trust as a £100m turnover provider by bringing together services from seven organisations. He has experience in both the private and public sector and during his career has been responsible for a broad portfolio of services in large and complex organisations.

Sarah Bloomfield, Executive Director of Quality and Safety (Chief Nurse)

Sarah joined the Trust in March 2021 and is a credible and transformational nurse leader with experience of operating strategically at Trust Board and executive level, ensuring that vision and strategy is translated and implemented across the organisation.

Sarah is a values-driven leader with strong professional standards and expectations. She is motivated by the delivery of safe, kind and effective care that supports patients and their families and carers.

Steve Forsyth, Interim Chief Nurse

Steve joins us from his role as Director of Nursing Mental Health and Learning Disabilities at Betsi Cadwaladr University Health Board and brings many years' skills in mental health and learning disabilities.

He is a Registered Nurse in both Adult Nursing and Mental Health, a qualified Best Interest Assessor and is also trained to offer Eye Movement Desensitisation and Reprocessing (EMDR). Having previously worked as the Deputy Director of Nursing and Head of Quality at Wolverhampton Clinical Commissioning Group (CCG) undertaking the Chief Nursing Officer Role for a period, Steve has a wealth of experience and expertise in Quality and Safety, and his passion is to ensure that care offered to the local population is of exceptional quality, safe, inclusive, compassionate and effective.

He is a keen runner, raising money for the Whizz-Kidz charity, for which his son is an ambassador. If you're on twitter you can follow Steve @Steve_Forsyth.

Dr Linda Cullen, Non-Executive Director and Senior Independent Director

Dr Linda Cullen was appointed as a non-executive director from 1 January 2019. Linda has worked as a Consultant Child and Adolescent Psychiatrist for 25 years in a wide variety of settings across the Midlands. She is currently a locum consultant in the NHS and a second opinion doctor for the Care Quality Commission. She has worked closely with colleagues in child and adult services, using research and evidence-based practice in developing novel services. Dr Cullen helped to develop Early Intervention in Psychosis

services across Birmingham and acute and high dependency child and adolescent mental health services (CAMHS), including one of the first CAMHS acute admission wards in the UK. Linda is Chair of the Quality, Patient Experience and Safety Committee.

Winston Weir, Non-Executive Director

Winston works at Board level for a variety of organisations with purposes beyond profit. He is an Independent Member at a Welsh University Health Board with an interest in finance and chairs its Sustainable Resources Committee. He works at Board level as Non-Executive Treasurer of a BAME church led Housing Association based in the West Midlands.
He brings experience of chairing and serving on Board committees, providing governance, risk, and audit and financial expertise. Winston is a Big 4 qualified Public Finance Accountant with post-graduate qualifications. He is CPFA qualified with significant post qualification experience in Public Sector Finance, Private Finance Initiative, procurement, and service improvement programmes. *Winston is the Chair of the Audit Committee.*

Bal Claire, Non-Executive Director and Deputy Chair

Bal is Managing Director of his Management Consultancy company, MyQonsult, helping organisations across a broad range of industry sectors to grow and succeed. He is also an Associate at the global consultancy firm Alumni services. In addition, Bal is a non-Executive Director at Coventry & Warwickshire Partnership Trust and an Independent and an Independent Member of the governing Council at the University of Warwick. *Bal is the Chair of the Finance, Performance and Productivity Committee*.

Previously Bal had a hugely successful career at BT and has a deep understanding and experience of the telecommunications industry.

Monica Shafaq, Non-Executive Director

Monica is the Chief Executive of Gordon Moody. She is committed to promoting the role of women and Black and Minority Ethnic individuals in leadership roles and has a keen interest in football, holding a number of non-executive roles in the sector. One of these is the post of Non-Executive Director at Birmingham County Football Association where she has lead responsibility for equality and mental health. She is also a member of the Premier League's Equality and Diversity Panel.

Monica has been recognised for her work in supporting black, Asian and minority group communities and in February 2022, she won the Corporate Achievement of the Year' category at the British Muslim Awards. *Monica is the Chair of the Caring Minds Committee.*

Thomas Kearney, Non-Executive Director (from January 2024)

on-Executive Director, Thomas Kearney, has worked extensively as a clinician in oth acute and community care across physical and mental health, specialising in eurology trauma and acute mental health.

In his career, Thomas has held a number of senior positions in the NHS including the role of Deputy Chief Operating Officer of a large integrated mental health and community trust, Deputy Chief Allied Health Professions Officer for NHS England and Deputy Director of Medical Workforce for England. Currently he is the Director of Performance for South West England.

Since 2007, Thomas has been involved with National Association of Psychiatric Intensive Care and Low Secure Units and became an executive member in 2011. His areas of special interest are in service improvement and change management to enable increased efficiency, quality and performance within mental health and acute services.

Thomas is passionate about mental health and is relishing the opportunity of working with our staff, service users and patients to deliver and develop our services.

Sue Bedward, Non-Executive Director (from October 2023)

Sue is the Founder and Director of Midlands Business Leadership (MBL) Academy and brings a huge wealth of knowledge and experience in enterprise leadership and management and organisational development. More than 20 years of her career were in the NHS and another 15 running her own business.

Over the years, she has coached and mentored, business owners, executives and managers across public and private sector services, is a Certified Insights Discovery Practitioner, 360 Feedback Facilitator, a CiPD qualified trainer and a Member of the Chartered Management Institute. A member of the All Party Parliamentary Group (APPG) for ethnic minority business owners, Sue is passionate about driving forward the inclusive business support agenda to ensure it reflects and supports the needs of Black, Asian and ethnic minority business owners. Her other work includes board development, strategic business planning and governance. Sue prides herself on integrity, equity, fairness and respect and will bring a huge amount to the Board and Team BSMHFT. *Sue is Chair of the People Committee.*

Board of Directors meetings – an overview

The Board held 7 meetings during 2023/24, with strategy sessions held on alternate months to discuss key strategic and developmental items.

The Board has a formal schedule of matters specifically reserved for its decision. This includes high level matters relating to strategy, business plans and budgets, regulations and control, annual report and accounts, audit and monitoring how the strategy is implemented at an operational level. The Board delegates other matters to the executive directors and senior managers as appropriate. The directors have access to all relevant management, quality, financial and regulatory information.

Name	Title	Attendance
Philip Gayle	Chair	7
Linda Cullen	Non-Executive Director/Senior Independent Director	6
Winston Weir	Non-Executive Director	6
Anne Baines	Non-Executive Director (until October 2023)	4
Monica Shafaq	Non-Executive Director	5
Bal Claire	Non-Executive Director and Deputy Chair	6
Roísìn Fallon-Williams	Chief Executive Officer	7
David Tomlinson	Executive Director of Finance	7
Vanessa Devlin	Executive Director of Operations	7
Sarah Bloomfield	Executive Director of Quality and Safety (Chief Nurse)	3
Steve Forsyth	Interim Chief Nurse	4
Fabida Aria	Executive Medical Director	6
Patrick Nyarumbu	Executive Director of Strategy, People and Partnerships	6
Sue Bedward	Non-Executive Director (from October 2023)	4
Thomas Kearney	Non-Executive Director (from January 2024)	1

The Board of Directors has a succession plan in place for the Non-Executive Directors. All Non-Executive Directors on the Board of Directors are considered independent by virtue of the employment checks made on appointment, ongoing fit and proper person's reviews, and the declaration of their actual and potential conflicts of interest.

Below are the details of Board of Directors meeting attendance:

Name	5/4/23	7/6/23	2/8/23	4/10/23	6/12/23	7/2/24	3/4/24	
Philip Gayle	√	√	√	√	√	√	√	7
Linda Cullen	√	√	√	X	√	√	√	6
Winston Weir	√	√	X	√	√	√	√	6
Anne Baines	√	√	√	√	E/M	E/M	E/M	4
Monica Shafaq	√	√	X	√	√	X	√	5
Bal Claire	√	√	√	X	√	√	√	6
Roísìn Fallon-Williams	√	√	√	√	√	√	√	7
Patrick Nyarumbu	√	√	√	√	√	A	√	7
David Tomlinson	√	√	√	√	√	√	√	7
Vanessa Devlin	√	√	√	√	√	√	√	3
Sarah Bloomfield	√	X	X	√	√	√	A	4
Steve Forsyth	A	√	X	√	√	X	√	6
Fabida Aria	A	√	√	√	√	X	√	6
Sue Bedward	N/A	N/A	N/A	√	√	√	√	4
Thomas Kearney	N/A	N/A	N/A	N/A	N/A	√	A	1

Data source: Minutes of the Board of Directors meetings

Key:

E/M End of mandate
R Resigned
N/A Not yet joined
A Apology
Present

Performance evaluation

Executive Directors have an annual appraisal with the Chief Executive. The performance of Non-Executive Directors is evaluated annually by the Chair. The annual appraisal of the Chair involves collaboration between the Senior Independent Director and the Lead Governor of the Council of Governors, who seek the views of Directors, Governors and other key stakeholders.

Appointment, re-election, and the Nomination and Remuneration Committees

The Chair has responsibility for ensuring that the composition of the Board is appropriate and leads the process to identify the size, structure and skills required for the Board and in considering any changes necessary or new appointments.

Council of Governors-led Nominations and Remuneration Committee

The Council of Governors-led Remuneration Committee is responsible for advising annually on the remuneration of the Chair and Non-Executive Directors (NEDs). The Council of Governors-led Nomination Committee is responsible for advising on the appointment of the NEDs and the

Chair; receiving performance/appraisal information relating to the Chair/NEDs to assist in considering re-appointments to the role. Members of the Committee would be invited to observe the Executive Director recruitment process.

During 2023/24 the Committee:

- Received the appraisal reports for the Chair and Non-Executive Directors
- Received the objectives for two newly appointed Non-Executive Directors
- Agreed the process for the recruitment of the Chair
- Approved the appointment of the Chair
- Approved the appointment of the Vice-Chair
- Reviewed and approved additional responsibility allowances for the Senior Independent Director, Chair of Audit Committee and Vice Chair

Attendance

Name	Role	4 April 2023	2 June 2023	24 August 2023
Linda Cullen	SID (Chair)			A
Mustak Mirza	Deputy Lead Governor			
Jim Chapman	Governor			
Leona Tasab	Governor			
Phil Gayle	Chair-elect/Chair	Joined during the last 15mins		
John Travers	Lead Governor	A		

Key: *A Apologies given* *Attended meeting*

Non-Executive Director-led Remuneration and Nomination Committee

The Non-Executive Director-led Remuneration and Nomination Committee is responsible for advising annually on the appointment and remuneration of Executive Directors.

During 2023/24 the Committee:

- Reviewed and agreed the process for the recruitment of the Executive Director of Quality and Safety (Chief Nurse)
- Reviewed and approved the terms of reference
- Considered and approved the pay award for Very Senior Managers

Name	Role	9 November 2023
Philip Gayle	Chair	
Monica Shafaq	Non-Executive Director	
Linda Cullen	Non-Executive Director	
Susan Bedward	Non-Executive Director	
Winston Weir	Non-Executive Director	
Bal Claire	Non-Executive Director	*A*
Thomas Kearney	Non-Executive Director	*A*

A Apologies given *Attended meeting*

Audit Committee

How the Committee discharges its responsibilities

The Audit Committee assures the Board of Directors that probity and professional judgment are exercised in all financial matters, risk management, counter fraud, and internal and external audit. It advises the Board on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for control and securing economy, efficiency, and effectiveness (value for money). The Committee prepares an annual report for the Board.

Membership and attendance

The Audit Committee was chaired by Winston Weir, Non-Executive Director. Other members of the Committee included three other Non-Executive Directors, Linda Cullen, Bal Claire and Sue Bedward. The Committee met 5 times in 2023/24.

Member	20/4/23	15/06/23	13/7/23	12/10/23	25/01/24
Winston Weir	A	√	√	√	√
Linda Cullen	√	√	√	X	X
Bal Claire	√	√	A	√	√
Anne Baines	√	√	√	E/M	E/M
Sue Bedward	N/A	N/A	N/A	N/A	√
Monica Shafaq	X	X	X	√	X

Data Source: Audit Committee minutes

Key

E/M	*End of mandate*	*A*	*Apology*
R	*Resigned*		*Present*
N/A	*Not yet joined*		

Statement of Directors' responsibilities in respect of the accounts

The Directors are required to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Significant issues the committee considered in relation to the financial statements.

The Audit Committee has an annual review cycle in place in relation to reviewing and considering the effectiveness and ongoing compliance. A key aspect of the Audit Committee's work is to consider significant issues in relation to financial statements and compliance.

In addition, the Audit Committee receives regular updates and feedback in relation to the progress against plan of Internal Audit and Counter Fraud. Any issues arising were addressed by the Committee and any matters of governance incorporated into the Annual Governance Statement.

Internal auditors

During 2023/24 RSM UK Risk Assurance Services LLP performed the Internal Audit function for the Trust. Internal Auditors review the organisational framework of governance, risk management and control with the Head of Internal Audit's annual opinion designed to assist the Accountable Officer and the Board in making the Annual Governance Statement on Internal Control. The Trust's Audit Committee monitors the delivery of the Internal Audit Plan at each of its meetings.

RSM UK Risk Assurance Services LLP attended meetings of the Committee to present a progress update on new and follow-up reviews; the key findings of each audit review undertaken, agreed recommendations and the associated Audit Opinion. The Committee continues to maintain oversight of implementation of agreed internal audit actions at each meeting, with detailed scrutiny of slippages occurring at the relevant Board Committees.

The reports also enabled the Committee to have an update on the planned work and/or work in progress.

External auditors

External Audit services are provided by Forvis Mazars LLP. At each meeting, the Committee receives a report from Forvis Mazars LLP outlining progress and highlighting matters such as emergent national guidance and findings of national benchmarking reviews.

Counter fraud

The Committee at relevant meetings received support from RSM, the Trust's counter fraud specialists and discussed detailed reports against plan, an overview of local fraud investigations, fraud warnings and intelligence bulletins. Key areas of focus have been awareness, prevention, and declaration of second jobs.

Statement by the auditors about their reporting responsibilities

The auditors' statement of responsibilities is contained in the Annual Accounts.

Removal of the Chair and other Non-Executive Directors

Removal of the Chair or another Non-Executive Director requires the approval of three quarters of the Council of Governors and must follow the process detailed in the Constitution.

Register of interests

The Trust holds a register listing any interests declared by the Board of Directors and the Council Governors. Board and Governors must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business or possibly seeking to do business with the Foundation Trust. The Registers of interests as well as Gifts and Hospitality and Sponsorship are publicly availability and accessible via the Trust intranet.

The Council of Governors and membership

Birmingham and Solihull Mental Health NHS Foundation Trust is accountable to the public membership through our Council of Governors.

The Council of Governors represents the interests of the members of the local community, patients, public, staff, and stakeholders through sharing information about key decisions and listening to their views. The Council of Governors has clear statutory duties which include holding the Non-Executive Directors, both individually and collectively, to account for the performance of the Board of Directors.

Role of the Governors

The Council of Governors is responsible for the appointment, or removal of the Chair and the Non-Executive Directors, agreeing their terms and conditions, as well as approving, or not, the appointment of a new Chief Executive. The Council of Governors further appoints the external auditors. Each financial year the Council of Governors is consulted on the Trust's forward plans and strategy, and receives the Annual Accounts, Auditor's Report, Annual Report, and the Quality Report.

Nominated Lead Governor

The Council of Governors elects one of its members to be the Lead Governor. The Lead Governor co-ordinates any communication that might be necessary between NHS England and the other governors and acts a main point of contact for the Chair.

Supporting our Council of Governors' understanding

In addition to regular updates from the Trust on the performance of the organisation, the Council of Governors is given the opportunity to attend the Governwell training programme or conferences offered by NHS Providers. To support our Governors in improving their knowledge and understanding of the Trust and to gain confidence in their role, several initiatives have been taken during 2023/24, which include:

- We have invited members of the Executive Team to speak about their strategic plans and how they intend to approach the challenges facing the Trust both financially and nationally going forward.
- We ensure that we send out all key communications messages in the Trust to Governors which has included updates from the Chief Executive and Executive colleagues through the weekly briefings to staff and flash reports on any serious incidents.
- Governors are invited to attend and observe Board of Director meetings.
- The Council and Board have agreed that all Non-Executive Directors attend the Council of Governor meetings with Executive Directors being invited to present on specific issues at request from the Council.
- Our Governors are welcome to meet informally with the Chair at request and with any other members of the Board as appropriate. As a Trust we endeavour to ensure that there is open and transparent communication between our Board of Directors and the Council of Governors.

Activities of the Council of Governors

During 2023/24, key activities of the Council of Governors and Governors have included:

- Raising assurance questions and concerns
- Non-Executive Director appointments
- Participation in recruitment panels
- Bespoke Governor training

Composition of our Council of Governors

The Council of Governors comprises these main constituencies:

- five public governors
- four carer governors
- three staff governors
- four service user governors
- six stakeholder governors

The Council of Governors comprises 22 members.

There are vacancies within the stakeholder positions. Elections will launch in March 2024 to appoint to vacant posts and ensure a full cohort of governors.

Membership of the Council of Governors 1 April 2023 – 31 March 2024

Public elected governors			
Name	Constituency	Appointment	End of term
Linda Hutchings	Central and West Birmingham	September 2023	September 2029
Renu Marley	South Birmingham and Worcester	November 2020	November 2026

David Slatter	Solihull & Coventry & Warwickshire	February 2024	February 2030
Naheeda Liaqat	East, North Birmingham and Black Country Boroughs	September 2023	September 2029
Chris Barber	East and North Birmingham and Black Country Boroughs	November 2022	November 2028
Staff elected governors			
Dr Onyekachi Ugwuonye	Clinical Medical	February 2024	February 2030
John Travers	Non-Clinical	July 2018	September 2025
Leona Tasab	Clinical Non-Medical	November 2022	November 2028
Service user governors			
Faheem Uddin	South Birmingham and Worcestershire	October 2011	December 2024
Mustak Mirza	Central, West Birmingham and Staffordshire	April 2017	September 2025
Vacancy	Solihull, Coventry and Warwickshire		
Vacancy	East, North Birmingham and Black Country Boroughs		
Carer governors			
Vacancy	Central, West Birmingham and Staffordshire		
Vacancy	East, North Birmingham and Black Country Boroughs		
Vacancy	South Birmingham and Worcester		
Umar Ali	Solihull, Coventry and Warwickshire	November 2022	November 2028
Stakeholder appointed governors			
Robert Mapp	Birmingham City University	December 2023	December 2029
Dr Matthew Broome	Birmingham City University	March 2024	March 2030
Cllr Mick Brown	Birmingham City Council	September 2013	September 2024
Cllr Ken Meeson	Solihull Council	September 2019	September 2025
Vacancy	WM Police Governor		
Harpal Bath	Council for Voluntary Services	December 2023	December 2029

Council of Governors meeting attendance
1 April 2023 – 31 March 2024

Name	May 2023	June 2023	September 2023	November 2023	January 2024	March 2024	Total
Phil Gayle							6
Faheem Uddin	A	A		A	A		2
Onyekachi Ugwuonye	-	-	-	-			2
Chris Barber			A				5
Umar Ali		A	A			A	3
Linda Hutchings	-	-	-			A	2
Leona Tasab							6
Cllr Michael Brown	A		A				4
David Slatter	-	-	-	-			2
Mustak Mirza					A		5
John Travers							6
Robert Mapp	-	-	-	-			2
Cllr Ken Meeson				A			5
Renu Marley	A	A			A	A	2
Naheeda Liaqat	-	-	-			A	2
Dr Matthew Broome	-	-	-	-	-	-	0
Harpal Bath		A					5

Key

Attended Meeting
A Apologies
N Non-attendance
- Not yet appointed

Membership strategy

Ensuring an effective membership is therefore a key governance issue which requires a clear and coherent strategy. The work on the membership has been refreshed and approved by the Council of Governors. The Strategy highlighted a number of areas of development and there will be a continued focus on delivering the agreed aims.

Membership engagement

We ensure that members have access to regular and timely information about the Trust's plans, services, involvement activities and accomplishments. Examples of ways in which we will communicate with members include the following:

- A welcome letter / email with key information sent to all new members
- Membership information and opt-out forms provided to staff at inductions

- Membership pages on the Trust's website and intranet
- Additional key information (such as public board papers and the Trust's annual report) published on the website and intranet
- Communications through social media
- A formal briefing on BSMHFT's performance through an Annual Membership Meeting
- An annual membership survey was undertaken to gain feedback from the public members
- Email communications with members around key developments at the Trust
- Election material sent to all members

During 2024 there will be a continued focus on ensuring engagement with our members following the successful appointment of members into the corporate governance team.

Contacting our Governors

Members can contact Governors via:

- a dedicated governor email address managed by the Corporate Governance Manager
- by calling the company secretary office
- by accessing details on the Trust's website

Remuneration report

Annual statement on remuneration and senior managers' remuneration policy

Key areas discussed by the Nomination and Remuneration Committees in the financial year, in respect of remuneration were as follows:

- Ministers' recommendation on 2023/34 Very Senior Manager (VSM) Annual Pay Award
- Non-Executive Director appointment process
- Executive Director of Quality and Safety (Chief Nurse) recruitment process
- Allowances for Senior Independent Director and Chair of Audit Committee

The Trust does not have a senior managers' remuneration policy in place. The following table outlines the policy and reflects current practice. There is a policy in place for overpayments for all staff, including senior managers, agreed with the payroll provider.

Future policy table

Element	Purpose and link to strategic objectives	Operation
Base salary and pension related benefits	Directors' individual performance objectives reflect the Trust's organisational objectives and strategic ambitions. Base salaries have been set by the Trust's Remuneration Committee, taking account of the relevant size of the job roles and median salary levels of comparable roles in other NHS organisations. Performance against agreed objectives is reviewed by the Chief Executive/Chair with outcomes reported to the Remuneration Committee.	These are spot salaries set within an agreed pay band. There is no performance related pay element, and pay elements are neither awarded nor withheld pending performance assessment. Annual salary levels are subject to application of cost of living pay award determined by the Remuneration Committee. Pay bands reflect the seniority of roles at executive director level and provide appointment panels with scope to appoint new staff from within the pay band. Pay bands include incremental progression.

Element	Purpose and link to strategic objectives	Operation
		Executive directors are members of the NHS Pension Scheme. No senior managers have rights under more than one type of pension within Birmingham and Solihull Mental Health NHS Foundation Trust.
Chair and non-executive directors' fees	Trust Board determines the strategic objectives for the organisation; objectives are put in place for NEDs to reflect these	Remuneration for the Chair and the NEDs is determined by the Nominations and Remuneration Committee and approved by the Council of Governors. There is no performance related pay element; remuneration levels have been benchmarked with similar sized foundation trusts.

Base salaries are paid within an agreed pay band. The maximum that can be paid is the top of the pay band.

As at 1 April 2023, salaries for non-executive directors were:

Chair	£49k
Vice Chair	£22k
Other non-executive directors	£13k

Non-executive directors do not receive any additional fees for any other duties. As stated, salaries are not dependent upon performance, in terms of recovery the following paragraphs are included in the contract:

- The Trust will be entitled to deduct regularly from your salary any amounts properly owed to the Trust including but not limited to residential accommodation, trade union dues, meals, beverages, telephone charges, nursery fees, library fees and car loan charges as appropriate.

- Should you terminate your contract with the Trust then any outstanding charges will be deducted from your final salary payment. When large amounts are outstanding discussion will take place with you regarding methods of payment.

Regarding the requirement to outline payments to those senior managers earning above the threshold of £150,000 if this is based on salary alone this would only apply to the Chief Executive.

All Executive salaries are benchmarked, on appointment, against other similar sized organisations using benchmarking data from NHS Providers. Executive Director salaries are generally paid in the lower quartile in comparison to similar sized trusts.

Service contracts obligations

There is no obligation on the foundation trust which:

- is contained in all senior managers' service contracts.
- is contained in the service contracts of any one or more existing senior managers (not including any obligations in the preceding disclosure); and/or
- the foundation trust proposes would be contained in senior managers' service contracts to be entered into and which could give rise to, or impact on, remuneration payments or payments for loss of office but which is not disclosed elsewhere in the remuneration report.

The Duty of Candour applies to all staff and information leaflets have been shared with staff reminding them of their obligations.

In February 2017 NHS England published 'Managing Conflicts of Interest in the NHS, Guidance for Staff and Organisations', which sets down guidance for all NHS Organisations to follow as from 1 June 2017. The Declarations Policy was updated to reflect this guidance.

Some staff are more likely than others to have a decision-making influence on the use of taxpayers' money, because of the requirements of their role.

Decision making staff in this organisation are:

- executive and non-executive directors.
- those at Agenda for Change 8b and above.
- staff who have the power to enter contracts on behalf of the Trust (Procurement Team).
- consultant medical staff.

The request for declarations went to all staff in January 2024, and declarations (including nil returns) are submitted electronically via the Declare system. Any staff member not responding are pursued through their line manager and encouraged to do so with registers of those haven`t complied regularly published and circulated as reminders. Counter Fraud services supported the Trust in developing the Declarations Policy and Pay Policy.

Executive director posts are substantive appointments with no set period of employment or end date. Notice periods are detailed in the next section below.

Non-executive directors do not have a notice period as they undertake fixed terms of office and are subject to re-appointment.

Policy on payment for loss of office

Executive directors are entitled to three months' notice of termination of employment, consistent with contracts for all other senior staff employed by the Trust, except for the Chief Executive, who is entitled to six months' notice.

Where loss of office (dismissal) occurs, payments will be paid in accordance with the senior manager's contract, including notice and contractual redundancy pay (if applicable).

The circumstances of the loss of office and the senior manager's performance are not relevant to any exercise of discretion.

Consideration of employment conditions elsewhere in the foundation trust

The terms and conditions of employment for senior managers largely reflect the terms applicable for other staff, except in the case of annual leave entitlements (35 days, as opposed to a maximum for other staff of 33 days). Pay bands for senior managers exceed the maximum pay band (band 9) for other senior staff employed under Agenda for Change. Senior managers are subject to the national cap on redundancy payments.

We did not consult with employees when preparing the senior managers' remuneration policy. The pay bands for senior managers were determined by reference to comparable sized job roles in similar NHS organisations.

Remuneration table *(information subject to audit)*

Salary and pension entitlements of senior managers salaries and allowance

Name and Title	Year Ending 31 March 2024						Year Ending 31 March 2023					
	Salary and fees	All taxable benefits	Annual performance - related bonuses	Long-term performace-related bonuses	All pension - Related Benefits	Total	Salary and fees	All taxable benefits	Annual performance - related bonuses	Long-term performace-related bonuses	All pension - Related Benefits	Total
	(Bands of £5,000)	(rounded to nearest £100)	(Bands of £5,000)	(Bands of £5,000)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)	(rounded to nearest £100)	(Bands of £5,000)	(Bands of £5,000)	(Bands of £2,500)	(Bands of £5,000)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Roisin Fallon-Williams (Chief Executive Officer) (Appointed 1 March 2019)	210-215	-	-	-	-	210-215	200-205	-	-	-	-	200-205
Hillary Grant (Executive Medical Director) (paid until 30 June 2022)							40-45	-	-	-	-	40-45
Fabida Aria (Executive Medical Director) (Appointed 01 August 2022)	195-200	-	-	-	170-175	370-375	120-125	-	-	-	110-112.5	230-235
Vanessa Devlin (Executive Director of Operations) (Appointed 29 April 2019)	125-130	-	-	-	10-12.5	135-140	120-125	-	-	-	30-32.5	150-155
Sarah Bloomfield (Executive Director of Quality and Safety) (Appointed 01 March 2021)	130-135	-	-	-	65-67.5	195-200	120-125	-	-	-	25-27.5	145-150
Steve Forsyth (Interim Chief Nurse) (Secondment start 17 October 2022)	150-155	-	-	-	-	150-155	70-75	-	-	-	-	70-75
David Tomlinson (Executive Director of Finance) (Appointed 3 April 2017)	140-145	-	-	-	-	140-145	130-135	-	-	-	-	130-135
Patrick Nyarumbu (Executive Director of Strategy, People and Partnerships) (Appointed 02 November 2020)	125-130	-	-	-	-	125-130	120-125	-	-	-	-	120-125
Danielle Oum (Chair) (Appointed 01 December 2020) (Resigned 31 October 2022)							25-30	-	-	-	-	25-30
Philip Gayle (Chair) (Appointed 13 November 2022)	45-50	-	-	-	-	45-50	20-25	-	-	-	-	20-25
Philip Gayle (Non-Executive Director) (Appointed 1 October 2019) (Appointed Chair 13 November 2022)							5-10	-	-	-	-	5-10
Linda Cullen (Non-Executive Director) (Appointed 1 January 2019)	20-25	-	-	-	-	20-25	15-20	-	-	-	-	15-20
Prof Russell Beale (Non-Executive Director) (Appointed 01 January 17) (Resigned 31 January 2023)							15-20	-	-	-	-	15-20
Ann Baines (Non-Executive Director) (Appointed 01 August 2021)(Resigned 30 September 2023)	05-10	-	-	-	-	05-10	15-20	-	-	-	-	15-20
Winston Weir (Non-Executive Director) (Appointed 01 August 2021)	15-20	-	-	-	-	15-20	15-20	-	-	-	-	15-20
Balbir Claire (Non-Executive Director) (Appointed 03 January 2023)	15-20	-	-	-	-	15-20	0-5	-	-	-	-	0-5
Monica Shafaq (Non-Executive Director) (Appointed 03 January 2023)	10-15	-	-	-	-	10-15	0-5	-	-	-	-	0-5
Gianjeet Hunjan (Non-Executive Director) (Appointed 01 Sept 2015) (Resigned 31 July 2022)							5-10	-	-	-	-	5-10
Susan Bedward (Non-Executive Director) (Appointed 16 October 2023)	05-10	-	-	-	-	05-10						
Thomas Kearney (Non-Executive Director) (Appointed 04 December 2023)	0-5	-	-	-	-	0-5						

The medical director was paid £83k during the year ended March 31 2023 (£50k during year ended March 31 2023) for non-director responsibilities.

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director / member in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

Salary and Allowances - % Change	Year Ending 31 March 2024			Year Ending 31 March 2023		
	25th Percentile	Median	75th Percentile	25th Percentile	Median	75th Percentile
The percentage change from the previous financial year in respect of the highest paid director	4.00%	4.00%	4.00%	0.00%	0.00%	0.00%
The average percentage change from the previous financial year in respect of employees of the entity	7.91%	5.44%	5.57%	4.55%	5.39%	5.91%

There have been no performance related pay or bonuses paid to emplyee during the year. (2022/23: Nil)

Pay Ratio's	Year Ending 31 March 2024			Year Ending 31 March 2023		
	25th Percentile	Median	75th Percentile	25th Percentile	Median	75th Percentile
Band of Highest Paid Directors Total Remuneration (£'000)	210-215	210-215	210-215	200-205	200-205	200-205
Median Total Remuneration	48,179	35,392	25,147	44,646	33,566	23,820
Ratio	4.41	6	8.45	4.54	6.03	8.50

Median Pay-Method of Calculation

The payroll data was examined , exceptional items that would distort the calculation were excluded , the normalised data was used to derive an annualised pay figure , and the median calculation was determined from the resultant data-set

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director/member in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded remuneration of the highest paid director/member in Birmingham and Solihull Mental Health NHS Foundation Trust in the financial year 2023/24 was £210-215 (2022/23, £200-205).

The relationship to the remuneration of the organisation's workforce is disclosed in the below table.

(information subject to audit)

		25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
Highest paid director:	£214,019	£202,500	£202,500	£202,500
Record count:	6,424	6,424	6,424	6,424
Median record no.:	3,212	1,606	3,212	4,818
Median employee:	£35,392	£48,179	£35,392	£25,147
Median earnings multiple:	6.05	4.20	5.72	8.05

There were three people paid in excess of the Chief Executive due to additional duties taken on during the year but in line with the GAM the CEO's data has been used for the calculation. This banding was £260-£265 for this financial year compared to £215-220 last year.

In 2023/24, 4 (2022/23, 1) employees received remuneration in excess of the highest-paid director / member. Remuneration ranged from £260-265 to £225-230 (2022/23 £215-220 to £0-£5).

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

Median pay-method of calculation

The payroll data was examined, exceptional items that would distort the calculation were excluded, the normalised data was used to derive an annualised pay figure, and the median calculation was determined from the resultant dataset.

Pension entitlements *(information subject to audit)*

Pension Benefits 2023/24

Name and Title	Real increase In pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2024	Lump sum at pension age related to accrued pension at 31 March 2024	Cash Equivalent Transfer Value at 1 April 2023	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2024	Employer's contribution to stakeholder pension
	(Bands of £2,500) £'000	(Bands of (£2,500) £'000	(Bands of £5,000) £'000	(Bands of £5,000) £'000	£'000	£'000	£'000	£'000
Roisin Fallon Williams (Chief Executive Officer) (Appointed 1 March 2019) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Fabida Aria (Executive Medical Director) (Appointed 01 August 2022)	5-7.5	57.5-60	45-50	125-130	581	374	1,013	28
David Tomlinson (Executive Director of Finance) (Appointed 3 April 2017) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Vanessa Devlin (Executive Director of Operations) (Appointed 29 April 2019)	0-2.5	-	30-35	-	429	111	583	18
Patrick Nyarumbu (Executive Director of Strategy, People and Partnerships) (Appointed 02 November 2020) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Sarah Bloomfield (Executive Director of Quality and Safety) (Appointed 01 March 2021)	2.5-5	30-32.5	40-45	105-110	617	175	854	19
Steve Forsyth (Interim Chief Nurse) (Secondment start 17 October 2022) (on secondment)	-	-	-	-	-	-	-	-

Pension Benefits 2022/23

Name and Title	Real increase In pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2023	Lump sum at pension age related to accrued pension at 31 March 2023	Cash Equivalent Transfer Value at 1 April 2022	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2023	Employer's contribution to stakeholder pension
	(Bands of £2,500) £'000	(Bands of (£2,500) £'000	(Bands of £5,000) £'000	(Bands of £5,000) £'000	£'000	£'000	£'000	£'000
Roisin Fallon Williams (Chief Executive Officer) (Appointed 1 March 2019) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Hillary Grant (Executive Medical Director) (Paid until 30 June 2022) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Fabida Aria (Executive Medical Director) (Appointed 01 August 2022)	5-7.5	10-12.5	35-40	60-65	420	98	581	17
David Tomlinson (Executive Director of Finance) (Appointed 3 April 2017) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Vanessa Devlin (Executive Director of Operations) (Appointed 29 April 2019)	0-2.5	-	25-30	-	376	42	429	17
Patrick Nyarumbu (Executive Director of Strategy, People and Partnerships) (Appointed 02 November 2020) (Not apart of NHS Pension)	-	-	-	-	-	-	-	-
Sarah Bloomfield (Executive Director of Quality and Safety) (Appointed 01 March 2021)	0-2.5	0-0 (No Band)	35-40	70-75	553	47	617	19
Steve Forsyth (Interim Chief Nurse) (Secondment start 17 October 2022) (on secondment)	-	-	-	-	-	-	-	-

There is no additional benefit that will become receivable by a director if that senior manager retires early.

No senior managers have rights under more than one type of pension within Birmingham and Solihull Mental Health NHS Foundation Trust.

Payments for loss of office

There have been no payments made for loss of office in the reporting period.

Payments to past senior managers

There have been no payments to past senior managers in the reporting period.

Signed:

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Staff report

The focus of the past year has been dominated by:

Embedding our People practice and governance arrangements to reflect and deliver the People Strategic Priority and People Plan which considers the Trust's values of Compassionate, Inclusive and Committed, the NHS People Plan and the eight areas of commitment.

The People Strategic Priority identifies three key areas of focus:

- Shaping our future workforce
- Transforming our culture and staff experience
- Modernising our people practice

In this section we also describe our approach and progress during the year in relation to areas of work which underpin the new People Strategic Priority and support staff health, wellbeing and safety.

During 2023/2024 we have continued to:

Experience strategic leadership and oversight of the People, OD and EDI functions through the People Committee which is a sub-committee of the Board. The People Committee has:

1. ultimate oversight of the delivery of the People Strategic Priorities and Goals, our legislative EDI performance and strategy,

2. supports optimum employee performance and enable the delivery of the People elements within the Trust Strategy and business plans

3. gains assurance that risks identified related to the People Plan are adequately monitored

Three sub-committees namely: Safer Staffing, Shaping Our Future Workforce and Transforming Our Culture and Staff Experience, meet each month, and provide assurance to the People Committee on the delivery of the People Strategy Implementation Plan.

The People and Organisational Development team have led on a broad range of activities during the reporting period. Key areas of progress have been made as follows:

1. Embedding a staff engagement programme to increase the take up of Flexible Working and routinely report on this data
2. Developed our Strategic Workforce Planning capacity wherein the Trust will ratify a comprehensive and co-designed workforce plans for each operational division for 2024/2025
3. Developing and implementing a comprehensive job matching and job evaluation service that meets the needs of our customers.
4. Developed and launched a package of First Line Management training that supports all aspects of the role.

5. Participated in a System wide international nurses recruitment campaign where it is intended for the Trust to make up to 80 job offers to international mental health nurses during 2023/2024
6. Increased our activities to support our staff to improve and maintain their health and Wellbeing utilising national initiatives, and developing local interventions based on staff feedback and best practice interventions.
7. Developed new staff networks for women and men, taking us to five active colleague networks across our organisation.

Leadership and culture

The Senior Leadership team have concluded the Leadership Programme delivered by the Roffey Park Institute and now maintain their action learning sets through the senior leadership monthly connection. This programme was developed around our Trust Values and focused on developing our individual and collective leadership to support the delivery of the Trust Five Year Strategy.

In addition, there has been a focus on our Values based leadership training for all who have line management responsibilities, and it is our intention to continue to deliver this course as a priority during 24/25.

We are developing a leadership development framework and reviewing all leadership content to create a new leadership offer that ensures our line managers are confident in carrying out their line management duties to enhance the care and support provided to our staff. We are working with staff and senior leaders across the Trust to gain a deeper understanding of the root causes that are impacting on our culture - particularly those issues highlighted in the survey around bullying and harassment, reward and recognition, equality, diversity and inclusion, and health and wellbeing. These elements will be key pillars within our 2023/2024 Staff Survey Action Plan.

Average number of employees *(information subject to audit)*

Average number of employees (WTE basis)	Permanent number	Other number	2023/2024 total
Medical and dental	148	121	269
Administration and estates	805	69	875
Healthcare assistants and other support staff	802	85	887
Nursing, midwifery, and health visiting staff	1211	44	1255
Scientific, therapeutic, and technical staff	615	233	848
Other	6	5	11
Total average numbers	3588	556	4144

Staff by gender as at 31 March 2024

Staff type	Female	% female	Male	% male	Grand total (headcount)
Directors	7	54%	6	46%	13
Other senior managers	320	72%	124	28%	444
Employees	3033	73%	1144	27%	4177
Total	3360	73%	1274	27%	4634

Sickness absence 2023/2024 *(information subject to audit)*

Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
5.1%	5.1%	5.0%	5.7%	6.2%	6.2%

Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
6.2%	5.7%	5.7%	5.7%	5.1%	Est 5.6%

Rolling Average
Est 5.6%

Average WTE 2023/24	Adjusted WTE days lost	Average sick
4,144	52,015	12.55

Average annual sick days per WTE has been estimated by dividing the estimated number of FTE days sick by the average FTE and multiplying by 225 (the typical number of working days per year).

Staff Turnover 2023/24

The Trust turnover rate as at 31 March was 7.4%. This calculation is the headcount of leavers over the previous 12 months divided by headcount of staff in post at the end of the month.

Senior Managers by Band 2023/24

Band	Headcount	Sum of FTE
Band 8 - Range A	227	202.06
Band 8 - Range B	136	118.18
Band 8 - Range C	56	49.37
Band 8 - Range D	18	16.61
Band 9	7	7.00
Grand Total	**444**	**393.21**

Staff costs *(subject to audit)*

			2023/24	2022/23
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	214,960	-	214,960	200,667
Social security costs	23,414	-	23,414	21,677
Apprenticeship levy	1,028	-	1,028	953
Employer's contributions to NHS pensions	22,969	-	22,969	20,930
Pension cost - other paid by NHSE on provider's behalf (6.3%)	9,762	-	9,762	8,926
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	1
Agency/contract staff	-	10,275	10,275	8,741
NHS charitable funds staff	-	-	-	-
Total gross staff costs	272,133	10,275	282,408	261,895
Recoveries in respect of seconded staff				
Total staff costs	272,133	10,275	282,408	261,895
Of which				
Costs capitalised as part of assets	-	-		

Average number of employees (WTE basis) *(information subject to audit)*

			2023/24	2022/23
	Permanent	Other	Total	Total
	number	number	£000	£000
Medical and dental	148	121	269	246
Ambulance staff			-	-
Administration and estates	805	69	875	813
Healthcare assistants and other support staff	802	85	887	816
Nursing, midwifery and health visiting staff	1,211	44	1,255	1,216
Nursing, midwifery and health visiting learners			-	-
Scientific, therapeutic and technical staff	612	233	845	781
Healthcare science staff	3	-	3	3
Social care staff	-	-	-	-
Agency and contract staff	-	-	-	-
Bank staff	-	-	-	-
Other	6	5	11	19
Total average numbers	3,588	556	4,144	3,895
Of which:				
Number of employees (WTE) engaged on capital projects	-	-	-	

Equality, diversity, and inclusion (EDI)

Over the last year we have continued to take an assertive approach to redesign the Equality, Diversity and Inclusion function to address inequality by bringing parity to the service user and colleague experience. This approach maps across the National Mental Health advancing mental Health Inequalities strategy across our organisational strategic priorities with clear outcomes. This approach makes it clear that we need to progress service user inequalities alongside the inequalities experience by colleagues, valuing each person, to experience longer term sustained positive change.

Our activity this year has been focussed on ensuring everybody across the organisation understands their individual accountability and responsibility of providing an environment where everybody feel psychologically safe whilst living our trust values.

The EDI team has recently expanded. The team is led by the Associate Director of EDI and OD with two Senior EDI Leads. Both EDI Leads are working with two directorates each supporting with workforce inequalities and health inequalities. This approach allows a consistent figure for continuity and relationship building of staff and service users the within those areas.

Within the team we also have a dedicated EDI and Staff Network Co-Ordinator. This role is to fully support the EDI agenda whilst supporting the network with the day-to-day tasks such as co-ordination of meetings, campaigns, events and managing webpages. This role is pivotal in providing an opportunity for all our workforce to be a part of inclusive events and have a sense of belonging whilst supporting colleagues to access support offered within the Trust.

Beyond compliance

As a public sector organisation, we take our Public Sector Equality Duty very seriously and report required information as required. The public sector equality duty is a duty on public authorities to consider or think about how their policies or decisions affect people who are protected under the Equality Act.

Equality Impact Assessment (EQIA)

We continue to ensure all Equality Impact Assessment are completed correctly and in line with legal requirements by offering EQIA training to staff to ensure they are fully supported. An Equality Impact Assessment is a way of deciding whether an existing or proposed policy, procedure, practice, or service does (or may) affect people differently, and if so, whether it affects them in an adverse way. All Board papers explicitly record what data has been used to inform the information and whether any adverse impact will be experienced. To further support the EQIA process is followed, we have representation from the EDI at the monthly PDMG where the EQIA is not fully completed, this is challenged and offer of support is given.

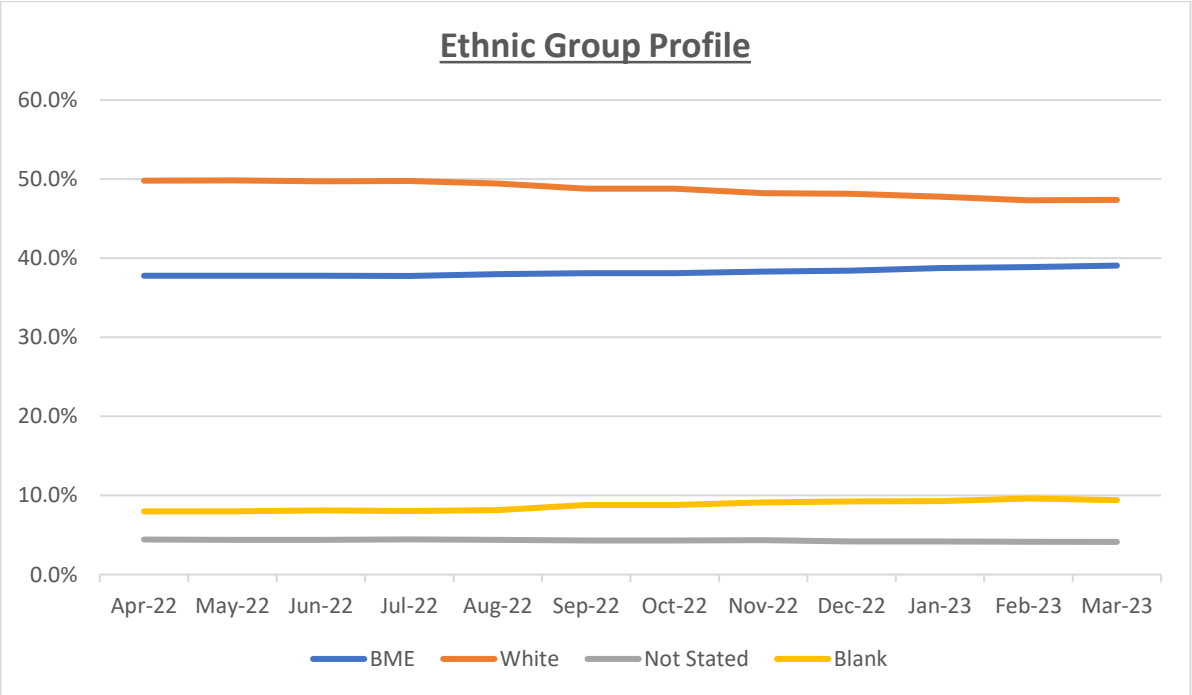
Workforce demographics

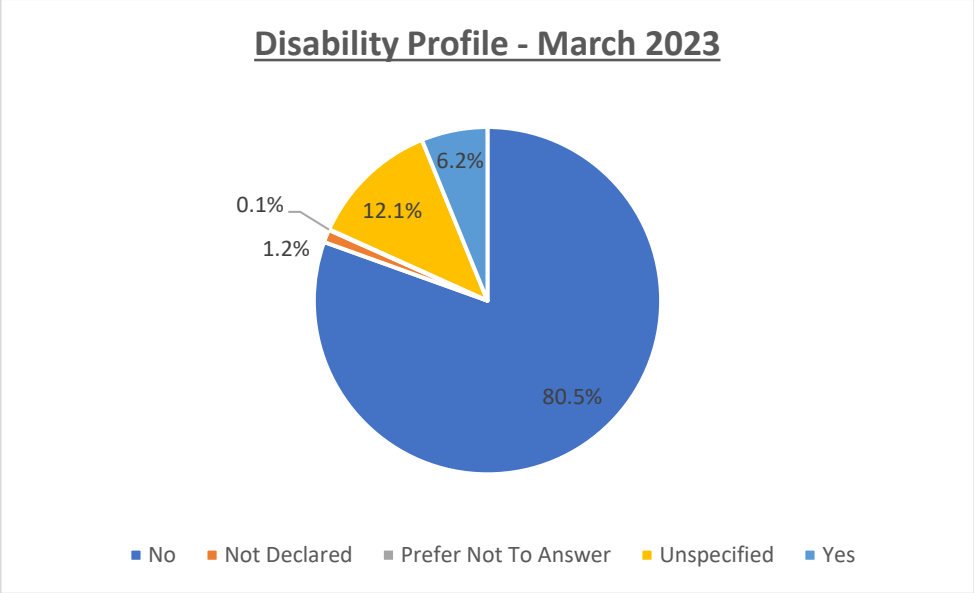
The Workforce Race Equality Standard and Workforce Disability Equality Standard was devised to ensure employees from black and minority ethnic (BME) backgrounds have equal access to career opportunities and receive fair treatment in the workplace and allow organisations to compare the workplace and career experiences of disabled and non-disabled staff.

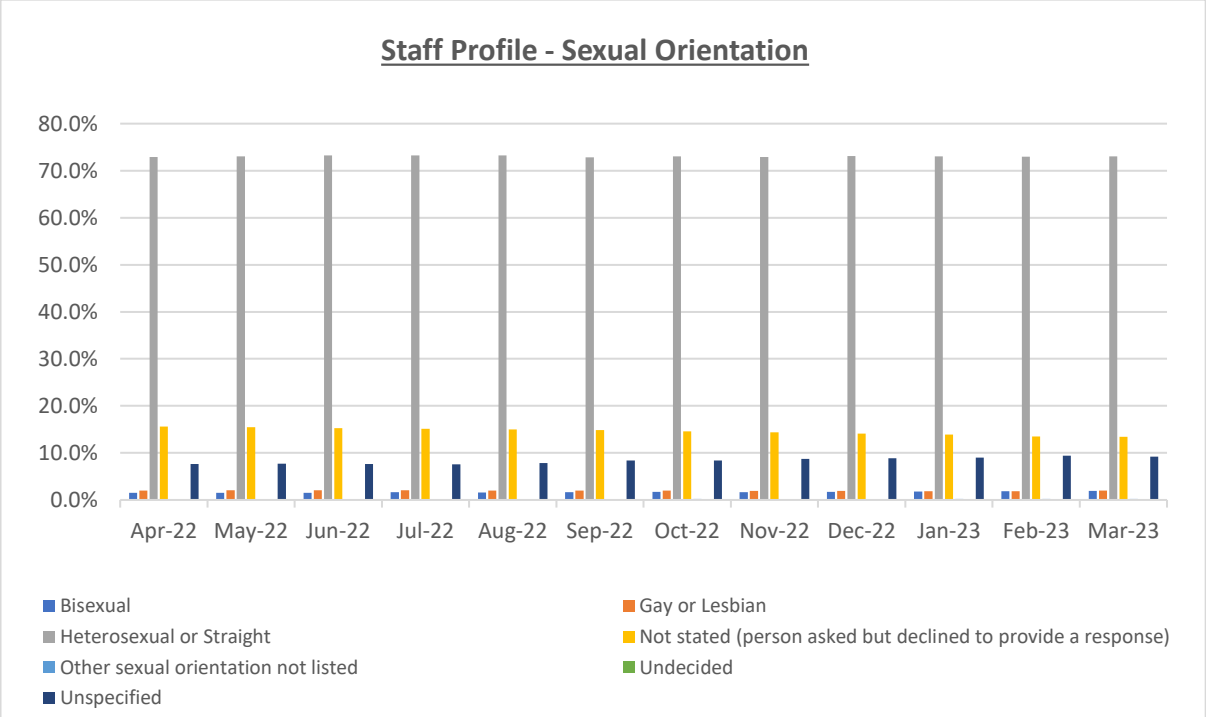
As a Trust our data for 2022/23 has shown some improvement in areas such as:

- We have decreased the gap by **25%** from likely hood white colleagues are shortlisted.
- Black and minority ethnic colleagues who are more likely to enter formal disciplinary process than white colleagues has **decreased by 41%**.
- Colleagues with disabilities are more likely to be appointed from shortlisting than those without has **increased** by **96%.**
- Colleagues with disabilities are now equal to those without disabilities to enter the capability process.

Please note: The WRES and WDES data is pulled on the 31 March as requested by the national WRES/WDES Team. We are currently in the process of collating the data for 2023/24.



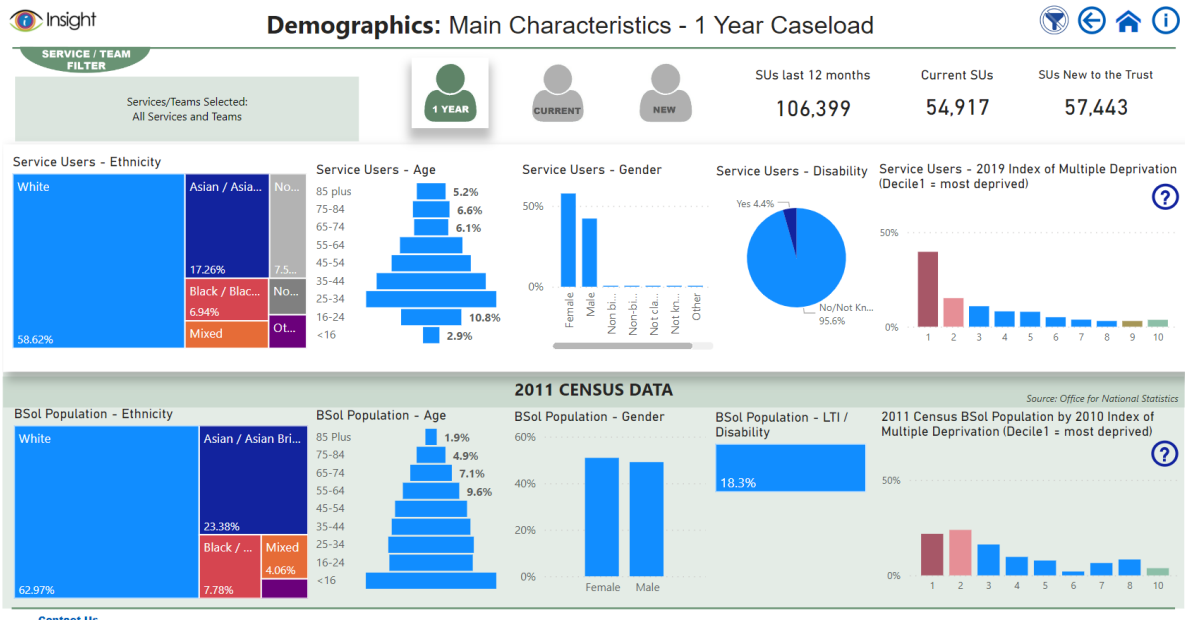




As a Trust we are committed to work with senior leaders and colleagues to look at how we reduce the gaps in other areas and improve on ESR data collection.

Service user demographics

Reducing Health Inequalities is a key driver across the wider organisational strategy, this gives clear direction for teams to be assessing their local service user profiles with the end outcome of developing strategic and local reducing health inequalities plans.
A snapshot in time shows the internal service user profile as:



Comparing profile data to Census information has enabled teams to think about representation and pathways into and out of services.

Going forward further experience and outcomes data will be engaged through the Patient and Carer Race Equality Framework and the Trusts Commitment to the Birmingham and Lewisham African and Caribbean Health Inequalities Review.

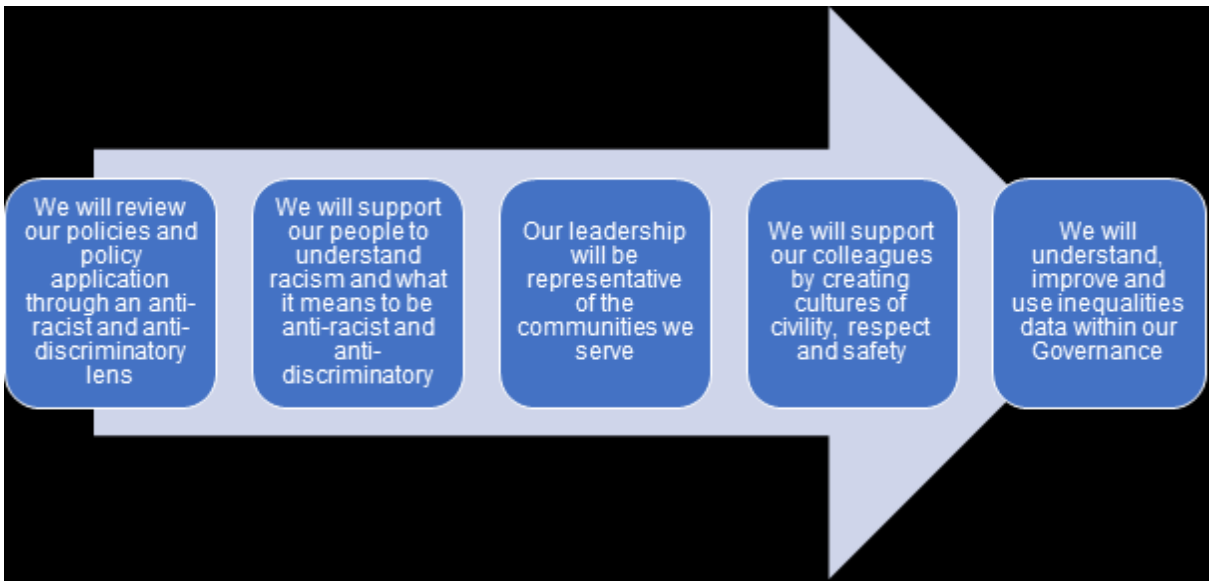
Anti-racist and anti-discriminatory

As part of this strategy, we have created and launched our Anti-Racist Framework. The framework will support us all in bringing our most authentic self to work without any form of discrimination. This framework has been co-produced with colleagues from different backgrounds, roles and teams and developed through a wide consultation to ensure this framework incorporates the representative voice and can therefore be used by us all.

This framework has been designed to support all staff in every service area to evaluate progress towards becoming an anti-racist organisation.

The EDI team have engaged with the Trust by attending a series of roadshows to support the conversation around how we can embed the framework within the workplace. The EDI team will be providing continual support as and when required.

Our key area of focus remains and will be delivered over the next 3 years are set out below:



Advance equality of opportunity

Data

Workforce Race Equality Standard (WRES)

Implementing the Workforce Race Equality Standard (WRES) is a requirement for NHS commissioners and NHS healthcare to ensure employees from black and minority ethnic (BME) backgrounds have equal access to career opportunities and receive fair treatment in the workplace. This is important because studies show that a motivated, inclusive and valued workforce helps deliver high quality patient care, increased patient satisfaction and better patient safety.

Some key highlights from the WRES data:

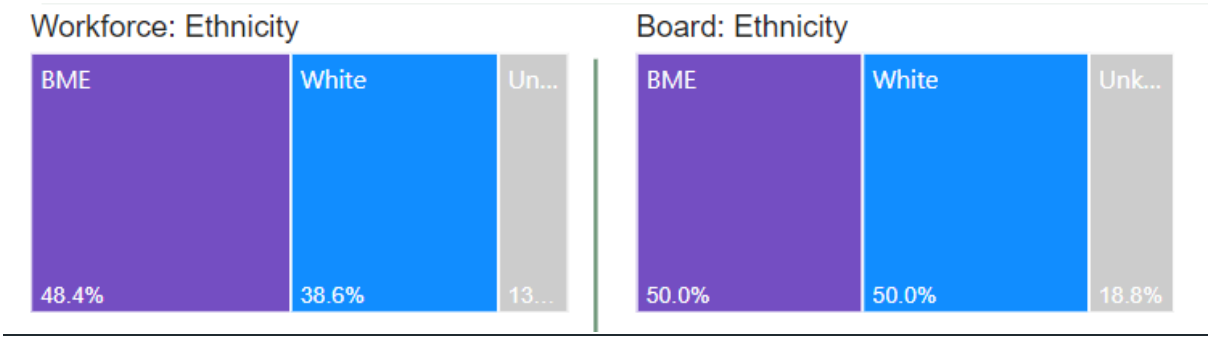
43% black and minority ethnic colleagues believe that our Trust provides equal opportunities for career progression as opposed to **54.5%** white colleagues.

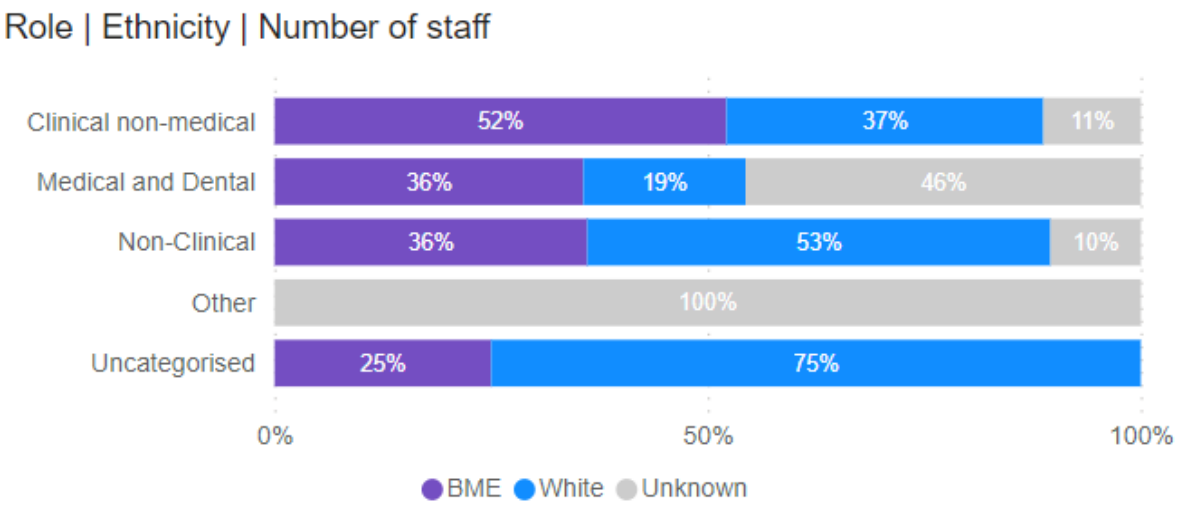
Black and minority ethnic colleagues are **2.02** times more likely to enter formal disciplinary process than white colleagues.

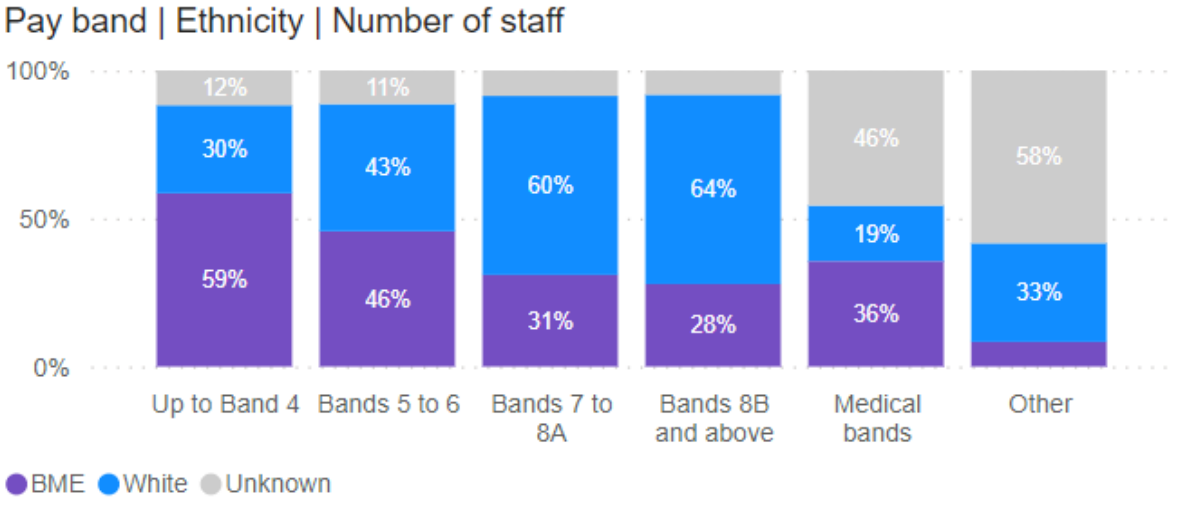
17.1% Black and minority ethnic colleagues experienced discrimination at work from other colleagues as opposed to **11.5%** white colleagues.

Our board representation currently stands as **53.8%** white colleagues, **46.2%** black and minority ethnic colleagues.

Workforce Race Equality Standard (WRES) - Birmingham and Solihull Mental Health NHS Foundation Trust (bsmhft.nhs.uk)







Workforce Disability Equality Standard (WDES)

The Workforce Disability Equality Standard (WDES) is a set of ten specific measures (metrics) which enables NHS organisations to compare the workplace and career experiences of disabled and non-disabled staff.

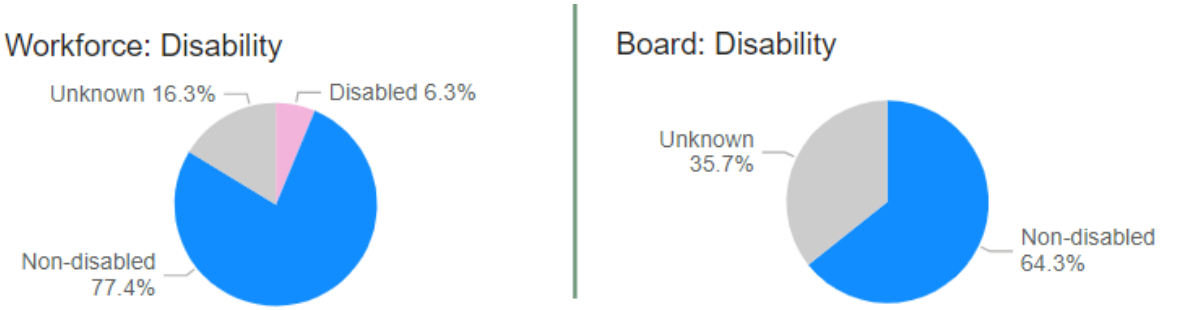
Some key highlights from the WDES data:

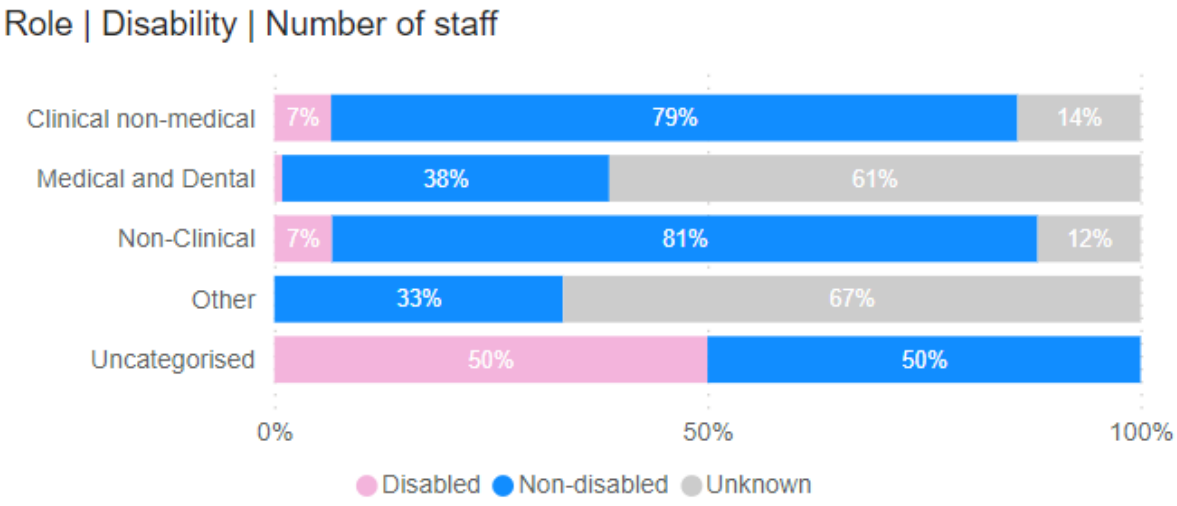
9.65% colleagues across our Trust report having a long-term condition or illness.

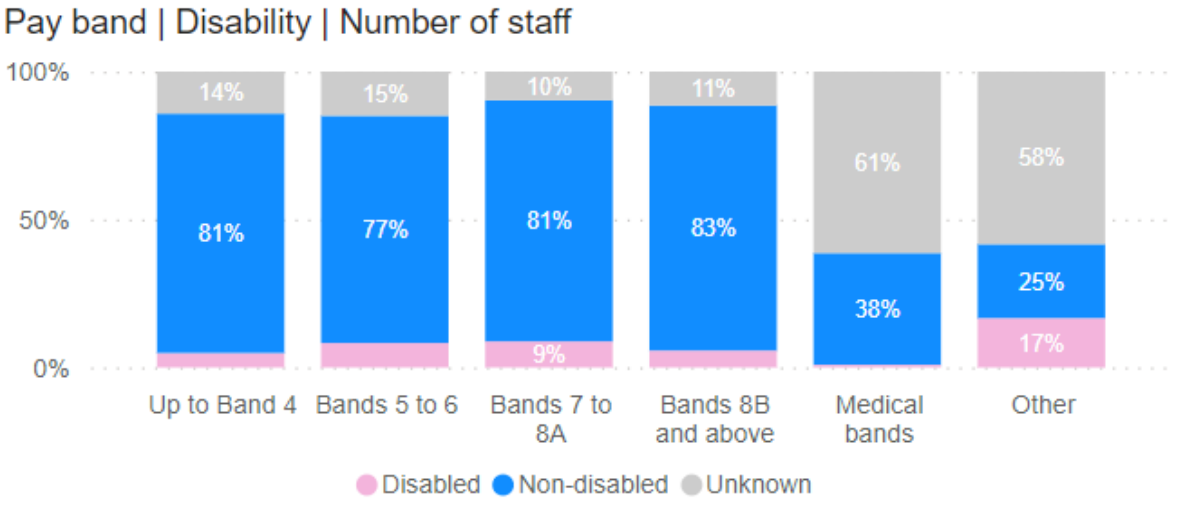
The likelihood of non-disabled colleagues being appointed from shortlist compared to colleagues with disabilities is **0.84** compared to **1.31** in 2022.

Colleagues with disabilities are now equal to those without disabilities to enter the capability process. **(reached equity)**

[Workforce Disability Equality Standard (WDES) - Birmingham and Solihull Mental Health NHS Foundation Trust (bsmhft.nhs.uk)]





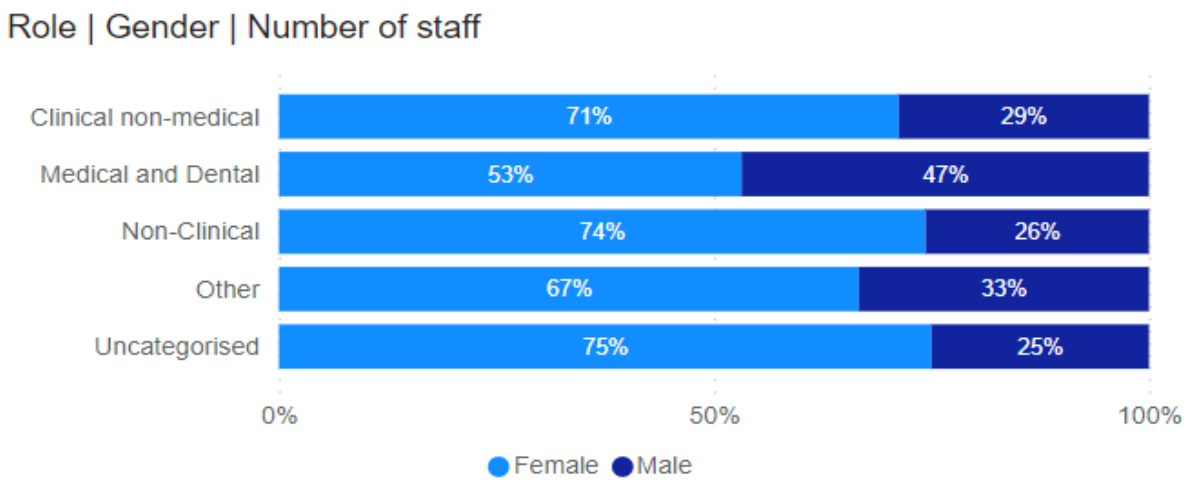


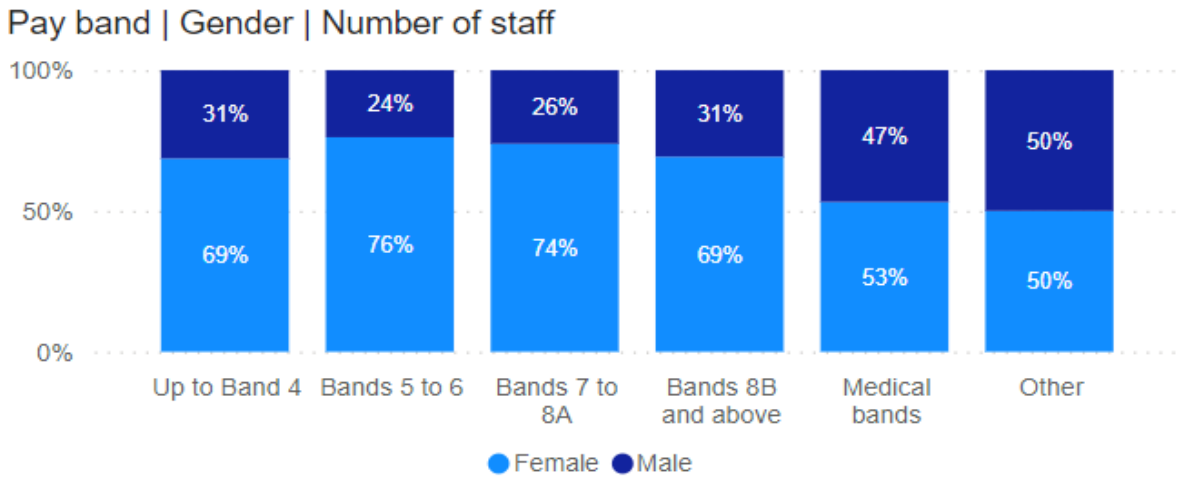
Gender Pay Gap

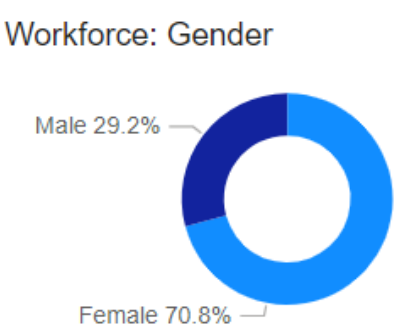
The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require public bodies with 250 or more employees on the snapshot date of 31st March of any given year to report their gender pay gap. In line with the Trust's ongoing commitment to equality, diversity and inclusion, the pay gap is also analysed by the protected characteristics, age, ethnicity, disability and sexuality. The full dataset of full-pay relevant employees totalled 5,051. 1,479 of these being male (29%) and 3572, (71%) female. This does not include TSS staff.

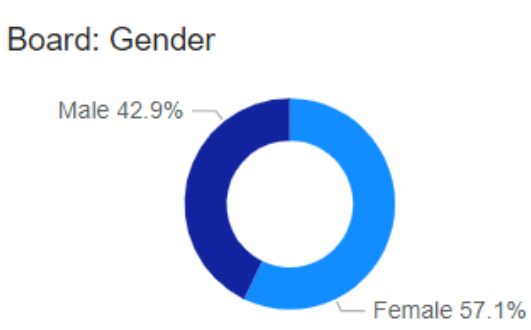
Some key highlights from the GPG data:

- Our gender pay gap for 2023 is 9.35%, with a median of 0.50%.
- The bonus gender pay gap has remains equitable.
- The mean age pay gap has increased for women aged 60+ in 2023.
- The mean ethnicity pay gap has increased from 5.35% in 2022 to 6.82% in 2023.
- The mean disability pay gap has increased from 4.98% in 2022 to 5.28% in 2023.
- The sexual orientation pay gap has moved from -1.82% in 2022 to -2.08% in 2023.









PCREF

Quarter 3 reporting highlighted the key achievements, such as:

- Anti Racist Behavioural Framework completed ready for roll out.
- Fairer Futures Fund being actively scoped to support partnership working with a focus on racialised communities.
- PSIRF approach being developed to actively consider the racialised experience in relation to Patient Safety

Building trust and confidence

We are proud to have five active colleague networks across our organisation. These networks have been critical in building trust and confidence by raising collective concerns and through collective celebration. Our networks are all fully supported by individual Exec Sponsor whose role is to support where barriers and challenges are identified whilst also playing an active role as allies.

Our Disability and Wellbeing Network continue to maintain our status as a Disability Confident Employer, with a drive on improving the access, experience, and outcomes for our colleagues with disabilities. The network has also launched their new network name and logo which is more inclusive of all disabilities, they have split the group into three subgroups which represent a wider scope of disabilities, these are namely Lived Experience of Mental Illness, Disabilities (invisible, invisible, physical etc.) and Neurodivergence.

The LGBTQ+ network has been pivotal in building our LGBTQ+ Campaign and launching our first Staff Survey for our LGBTQ+ survey for our staff, this being a great achievement all round. They continually celebrate the LQBTQ+ community at Birmingham Pride on an annual basis, launched the No Hate Zone LGBTQ+ Zero tolerance for prejudice Pledge, collating over 700 signatures which continues to grow and have successfully advocated for external LGBTQ+ training for all Executive Directors at the Trust.

The Women's Network has now been running for just over 18 months with a membership of over 120 colleagues. They have been pivotal in getting menopause well and truly on the agenda at the Trust with the introduction of the menopause passport, menopause training for managers and breathable uniforms pilot for colleagues. They have identified issues with current policy for colleagues suffering from baby loss, miscarriage and fertility treatment issues, and reiterated the importance of speaking about Domestic abuse. We have received great feedback from members who have shared that they are grateful to have a safe space to speak to other women and share and listen to experiences.

We are continuing to progress race equality across our organisation as our focal point remains in advancing equalities across all groups. Our Race Equity Network has been driving this focussed approach through difficult times within our communities and wider society who are experiencing much difficulty. We are starting to make some changes that will improve the access, experience, and outcome of our racialised communities, whether colleague, service user, carer, or community. The Anti Racist campaign has provided a platform where race is spoken widely and the impact this is having on our Black, Minority Ethnic colleagues. The WRES data clearly shows areas of improvement, however as a Trust we will continue to strive to reduce the inequality gap.

We have launched our pool of volunteer roles (Equity Panel Members, Cultural Ambassadors and a Buddy Role). These roles are to ensure that there is support in place in terms of organisational systems and processes being equitable.

Equity Panel Member-to support panel equity in recruitment (responsibility of diverse panels to be owned by panel Chair).
Buddy Pool-a central access point of colleagues willing to support others, informal peer to peer support.
Cultural Ambassador-DMG and HR process subject matter expert lens to ensure HR People processes are equitable and culturally inclusive.

The network has also collectively finalised a logo which represents the values and beliefs of the Race Equity Network, supported the development of the Anti-Racist Framework, and continue to push the No Hate Zone Racist Pledge which has been signed over 2000 times.

Our newest network The Men's Network was launched Mid 2023, and colleagues are reporting that it is a great place for men to talk and share experiences. Whilst still in its infancy the network has collectively confirmed their logo, started the 'Brew with a Bro' campaign which is an opportunity for male colleagues to connect and share thoughts whilst raising money for out Trust Charity 'Caring Minds'. Membership continues to grow each month with more colleagues focussing on the betterment of Men's wellbeing.

Training and Education

In support of the Trust in becoming an anti-racist and discriminatory organisation and as part of the Anti-Racist Framework we have developed the Active Bystander Training. Phase 1 is already available within the Trust, and we encourage all staff to undertake this training to fully commit to speaking up and feeling confident to call out inappropriate behaviour.

We are in the process of developing phase 2 of the training programme and will be shared once finalised.

We currently offer Trans Awareness Training, LBGTQ+ Training and EQIA Training. We will also be developing training around Cultural Humility, Cultural Competence and Anti Racist Supervision

Equity Panel Member

As a Trust we are striving to be inclusive - treating people fairly, with dignity and respect, challenging all forms of discrimination and valuing all voices so we all feel we belong. Having reviewed the HR and

recruitment process we have decided to create a new role to help us to ensure our processes are fair, equitable and culturally inclusive.

The role of the Equity Panel Member is to help us to ensure that the decisions of recruitment panels are equitable and free from discrimination and bias. We currently have approx. 20 members from all different background and roles.

Future priorities and targets

Getting the organisational culture right is key to achieving the desired results of significant improvements in making our Trust a fairer place to work for everyone and enabling the wellbeing of our colleagues and teams. There is much we need to do to put an end to bullying and harassment and to firmly establish an anti-racist and inclusive culture.

Our priorities are as follows:

- Highlight the importance of accurate data and self-declaration.
- Socialise the data information across Divisions to enable informed decisions, awareness and ownership.
- Encourage Divisions to explore their own internal data.
- Fully embed the Anti Racist Framework within teams/divisions.
- Develop a white allies network.
- Work with Divisions to identify gaps and implement plans.
- Embed data informed positive action initiatives through Values in Practice Programme.
- Intentions are to reduce gap across the protected characteristics through informed decision making.
- Explore positive action approaches through intersection.
- supporting a culture of continuous learning.
- Embed Restorative Just Learning Culture.
- Providing framework to establish anti-racist behaviour and investigate existing biases.
- Ensuring any inappropriate behaviours are challenged, escalated, and addressed in an effective and timely manner.

Engaging our people

We continue to seek to engage with our employees in a compassionate and inclusive way that values their voice in shaping the future of the Trust.

Weekly Listen Up Live sessions continue to provide a direct link between senior leaders and colleagues around the organisation. This live briefing and question and answer session is watched and engaged with live and is also available for colleagues to watch on playback. The sessions cover a wide range of topics regarding staff experience at our Trust.

Employee engagement is key to our operational directorates and teams with support of a central team based within our Organisational Development function. In addition, we have developed a business partnering model across the EDI and OD teams to ensure we can support our employees locally. To support this work, local directorates have invested to provide capacity for additional engagement support for frontline teams by listening more carefully to concerns and reflecting on changes and achievements that result.

We are committed to developing more aligned communications and engagement strategies to consider how we can reconnect with colleagues less likely to access Connect and other e-resources areas in the trust and improve overall engagement.

In addition, we have continued to monitor and respond to staff concerns through our growing Freedom to Speak Up function and through both the NHS People Pulse survey and the NHS National Staff Survey.

Health and wellbeing

The Trust continues with its commitment to improve the health and wellbeing of our colleagues from day one of their employment by ensuring they have access to services which support their overall wellbeing, encourage a healthy lifestyle, and help reduce absence. The Trust's People Strategic Priority has a specific focus on staff wellbeing with the aim to support wellbeing at various levels.

The Trust's Health & Wellbeing steering group continues to meet on a monthly basis to develop and support new initiatives that will assist colleagues with improving their health and wellbeing, the support available is on a dedicated space on our connect site so a one stop shop for all offers which include:

- National, local and in-house resources and support available to colleagues (Wellbeing apps and toolkits, resources by themes, PAM occupational health support).
- Support for building resilience and coping in teams (PAM psychological support, Schwartz Rounds).
- Support for managers and team leaders (PAM psychological support, online resources, post-incident bereavement support).
- Specialist intervention for those who need it (via PAM and other services).

Other wellbeing offers for colleagues include:

- Psychological first aid and support
- Menopause toolkit and resources
- Domestic abuse support (training and policy)
- Coaching and mentoring support
- Cost of Living Support
- Improved communication channels including QR codes for staff
- Staff Mental Health Hub

The Trust continues to review and refresh our post incident support framework which will be launched during 2024.

During 2023 we saw the introduction our new Health and Wellbeing newsletter 'All about you' which provides hardcopies of our offers directly to front line staff across all of our sites.

A new Health & Wellbeing champions model was also launched, this provides access to champions across the organisation who can support colleagues with wellbeing conversations and signposting to offers that are available. Some of our champions are also undertaking a health and wellbeing apprenticeship which will provide them with an accredited qualification.

We have been successful in our bid to NHS charities for funding to provide wellbeing spaces on a number of sites, the roll out of these spaces will take place during the next two years.

We continue to survey our colleagues on an annual basis on the offers we have available to ensure that they meet the needs of everyone and are easily accessible.

Working with our colleagues across the integrated care system we have been able to provide access to dedicated resources from Relate, Citizen's advice bureau and Aquarius.

Staff survey 2023

This year our response rate was 55% although the same % as last year we have seen a numerical increase of 163 due to workforce growth. We received 2393 permanent colleagues sharing their view this year and 2230 in 2022.

In addition, Bank Only Colleagues response rate was 33.64% with 253 answers. This is amongst the highest response rate for a mental health trust nationally.

Our approach to the staff survey includes a substantial engagement exercise with teams across the trust. Teams are assisted to understand and examine their local team or directorate results and to make changes in response to enhance employee experience. This year 112 frontline teams received a team result.

Staff Survey scores are collated and themed into the seven themes of the NHS People Promise along with pre-existing themes in the survey of staff engagement and staff morale.

The key findings were:

In every theme score BSMHFT has increased numerically based on last year

We are above average on 'we are always learning' and 'morale' and we are below average on the remaining 7 elements and themes, several of them are now very close to the average. The only theme which remains significantly below the average is 'we are compassionate and inclusive'.

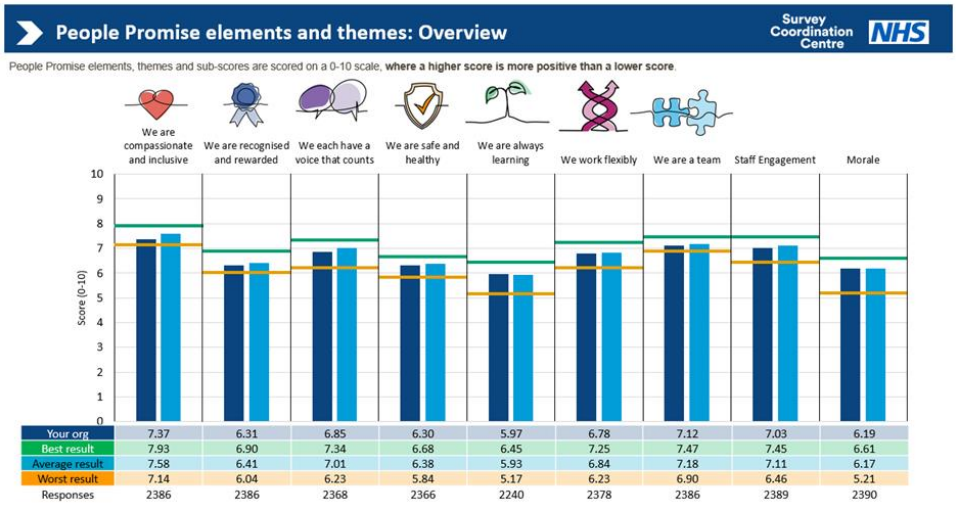
Relative to other mental health trusts recognition and reward and having a voice are the most improved numerically.

Scores for each indicator, together with that of the national average for mental health are presented below:

Indicators ('NHS People Promise' elements and themes)	2023/2024	
	Trust score	Benchmarking group score
NHS People Promise:		
We are compassionate and inclusive	7.37	7.58
We are recognised and rewarded	6.31	6.41
We each have a voice that counts	6.85	7.01
We are safe and healthy	6.30	6.38
We are always learning	5.97	5.93
We work flexibly	6.78	6.84

Indicators ('NHS People Promise' elements and themes)	2023/2024	
	Trust score	Benchmarking group score
NHS People Promise:		
We are a team	7.12	7.18
Staff engagement	7.03	7.11
Morale	6.19	6.17

The NHS staff survey is conducted annually. Since 2021 the numerous survey questions are aligned in themes to the nine elements of the NHS 'People Promise'. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those. The Trust is benchmarked against a group of 51 trusts that are either Mental Health Trusts, Mental Health and Learning Disability Trusts or combined Mental Health, Learning Disability and Community Trusts.



Safer staffing

Following the establishment of the Safer Staffing Commitment in 2022/23, understanding and oversight of the challenges in clinical staffing is much improved. Establishment reviews using the MHOST tool have been undertaken and a policy has been developed outlining the requirement for establishment reviews for inpatient areas (twice a year) and for community teams (yearly). The safe care tool has also been rolled out across inpatient areas. Recruitment and retention strategies such as international recruitment, engagement with universities, health & wellbeing and flexible working initiatives, have helped achieve an improved position in 2023/2024 in terms of vacancy reduction. Despite the overall improvement there are still hotspot areas, varying levels of effective rostering and patient acuity levels still remain difficult to manage. Risks and recommendations are escalated to the People Committee and through to the Trust Board.

Future priorities and targets

Getting the organisational culture right will be key to achieving the desired results of significant improvements in building a climate of engagement, making our Trust a fairer place to work for everyone, and enabling the wellbeing of our colleagues and teams. Our staff survey shows there has

been some small improvements in our results however longstanding issues remain. It is particularly disappointing to report that our deficits remain in the areas of bullying and harassment as well as equality, diversity, and inclusion where some of our employee engagement scores have numerically worsened. Therefore, there is much we need to do to put an end to bullying and harassment and to firmly establish an anti-racist and inclusive culture.

Our Strategic Workforce planning activities have led to each operational area having clear workforce plans for 2023/24. Progress against these plans will be monitored through internal performance management systems and reported through to the People Committee periodically.

Further work is required to improve on our Just Culture approach in People processes and the length of time our colleagues spend within a formal process. In addition, attention will be given to how further modernising and digitalisation of our people services will underpin this.

Our international recruitment nursing activities will make a significant difference to our staffing levels within the Trust. This will sustainably enhance the experience of patients, service users and staff.

Trade union facility time disclosures

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on the Trust to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The Trust data published in line with the Cabinet Office guidance is listed below:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
17	2.2 wte

Percentage of time	Number of employees
0%	0
1-50%	13
51-99%	4
100%	0

	Figures
Provide the total cost of facility time	TBC
Provide the total pay bill	TBC
Provide the percentage of the total pay bill spent on facility time, calculated as (total cost of facility time ÷ total pay bill) x 100	TBC

Expenditure on consultancy

Expenditure on consultancy in 2023/24 was £1.621m compared to 2022/23 was £2.403m.

High paid off-payroll engagements

For all off-payroll engagements as of 31 March 2024, for more than £245 per day and that last longer than six months

Number of existing arrangements as of 31 March 2024	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed between one and two years at time of reporting	0
Number that have existed between two and three years at time of reporting	0
Number that have existed between three and four years at time of reporting	0
Number that have existed for more than four years at time of reporting	0
Confirmation that all existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and where necessary that assurance has been sought.	Yes

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration between 1 April 2023 and 31 March 2024	0
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and national insurance obligations	0
Number for whom assurance has been requested	0
Of which:	
Number for whom assurance has been received	0
Number for whom assurance has not been received	0
Number that have been terminated because of assurance not being received	0

In any cases where, exceptionally: the Trust has engaged without including contractual clauses allowing the Trust to seek assurance as to their tax obligations; or where assurance has been requested and not received, without a contract termination please specify the reasons for this.	Assurance in ALL cases is requested at the time the contractor is set up on our systems. Payments will NOT be made under any circumstances unless assurance is received. This forms part of our 'supplier set-ups'.

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 arrangements 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". This figure should include both off-payroll and on-payroll engagements	33

In any cases where individuals are included within the first row of this table, please set out	
Details of the exceptional circumstances that led to each of these engagements	Not applicable to this reporting period.
Details of the length of time each of these exceptional engagements lasted	Not applicable to this reporting period.

Our Trust's policy on the use of off-payroll arrangements

As part of the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on the 23 May 2012, departments and their arm's length bodies, including foundation trusts, must publish information in relation to the number of payroll engagements – at a cost over £245 a day for six or more months. Since May 2012, appropriate processes have been in place to ensure that any new off payroll engagements, whether direct contractor or agency staff, have contractual arrangements in place and provide appropriate evidence to demonstrate that they pay UK Tax and National Insurance. This evidence consists of assurance via a signed declaration that the direct contractor or agency staff member is compliant with HMRC regulations for PAYE and national insurance purposes.

Exit packages *(information subject to audit)*

The termination benefits disclosed below all relate to compulsory redundancies and other agreed departures (mutually agreed resignation scheme). Of the disclosed termination payments none were non-contractual payments requiring HM Treasury approval. This was also the case in 2023/24. There were no termination benefits paid or due in the reporting year to key management personnel, who are defined to be the Board of Directors of the Trust. This was also nil in 2022/23.

Staff exit packages - 2023/24	No. of compulsory redundancies	Cost of compulsory redundancies	No. of other agreed departures	Cost of other departures agreed	Total no. of exit packages	Total cost of exit packages	No. of departures where special payments have been made	Cost of special payment element included in exit packages
Exit package cost band	No.	£s	No.	£s	No.	£s	No.	£s
Less than £10,000					-	-		
£10,000 - £25,000	-	-	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
> £200,000	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Staff exit packages - 2022/23	No. of compulsory redundancies	Cost of compulsory redundancies	No. of other agreed departures	Cost of other departures agreed	Total no. of exit packages	Total cost of exit packages	No. of departures where special payments have been made	Cost of special payment element included in exit packages
Exit package cost band	No.	£s	No.	£s	No.	£s	No.	£s
Less than £10,000	-	-	1	500	1	500	1	500
£10,000 - £25,000	-	-	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
> £200,000	-	-	-	-	-	-	-	-
Total	-	-	1	500	1	500	1	500

Exit packages: other (non-compulsory) departure payments	2023/24		2022/23	
	Agreements	Total Value of Agreements	Agreements	Total Value of Agreements
	No.	£s	No.	£s
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval			1	500
Total	-	-	1	500

Disclosures set out in the NHS Foundation Trust Code of Governance

There is a range of information that will be of interest to members of the public, which is included throughout the report. The elements below are key disclosures which have been brought together for ease of access.

Disclosure of audit information

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of the relevant audit information and to establish that the auditors are aware of that information.

Annual Report and Accounts

The Directors consider the annual report and accounts, taken as a whole, as fair balanced and understandable and provides the information necessary for patients, regulators, and stakeholders to assess the Trust's performance, business model and strategy.

Fit and proper persons' test

Requirements are included in the eligibility criteria for Directors regarding the need to meet the 'fit and proper' persons test described in the provider licence. Directors are required to confirm that they meet these requirements on an annual basis. All declarations and fitness checks have been undertaken during 2023/24.

Insurance

The Board of Directors has ensured the Trust has appropriate insurance to cover the risk of legal action against its Directors.

Political donations

The Trust has not made any political donations during 2023/24.

NHS Oversight Framework

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

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

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

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

Segmentation

NHS England has placed Birmingham and Solihull Mental Health NHS Foundation Trust in Segment 3.

What being a Segment 3 means:

Significant support needs against one or more of the five national oversight themes and in actual or suspected breach of the NHS provider licence (or equivalent for NHS trusts).

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 via https://www.england.nhs.uk/nhs-system-oversight-framework-segmentation.

Statement of accounting officer's responsibilities

Birmingham and Solihull Mental Health NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regulatory of public finances for which they are answerable, and for the keeping of proper accounts, are set in the *NHS Foundation Trust Accounting Officer Memorandum,* issued by NHS England.

NHS England has given Accounts Directions which require Birmingham and Solihull Mental Health 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 Birmingham and Solihull Mental Health NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis.

- Make judgements and estimates on a reasonable basis.

- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements.

- Ensure that the use of public funds complies with the relevant legislation, delegated authorities, and guidance.

- Confirm that the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for patients, regulators, and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy and

- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

Signed:

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Birmingham and Solihull Mental Health 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 Birmingham and Solihull Mental Health NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust Board of Directors, with the support of its committees, has a key role in ensuring a robust risk management system is effectively maintained and to develop a culture whereby risk management is operationalised and embedded as "business as usual" at all levels across the organisation. The Trust Risk Management Group has been reinvigorated and is helping harness organisational resilience, capacity, resources, and joined-up thinking in risk management with the view of engineering constructive challenge and embedding a positive enterprise-wide risk-aware culture. Staff training, capacity and capability building and development in risk management is at the heart of the Trust`s approach to risk management as this has witnessed the delivery of bespoke training tailored staff needs, levels, roles and responsibilities. This also ensures the best leadership, co-ordination and prioritisation is received, on a strategic and operational basis, of the risk management agenda in relation to clinical, quality, workforce, operational and financial risks. This includes the identification and appropriate mitigation of the full range of risks that are inherent in the delivery of healthcare.

The Chief Executive maintains overall accountability for risk management within the Trust and has delegated responsibility to the Executive Director of Finance who is responsible for the coordination of the management of risks across the Trust. They are also responsible for ensuring that other Executive Directors and leadership within the Directorates and Divisions ensure the effective mitigation and management of risks within their portfolios and escalation of any `red` risks via the Risk Management Group (RMG).

The Deputy Chief Executive and Executive Director of Strategy, People and Partnerships: Apart of deputising for the CEO with regards overall accountability for the Trust`s risk management arrangements, they are also the executive lead for Workforce, Strategy and Partnership-related risks. They ensure that there are adequate systems and processes in place for timely and dynamically identifying, assessing and mitigating risks liked to ongoing workforce shortage and challenges.

The Executive Director of Quality and Safety (Chief Nurse): The Executive Director of Nursing is the registered officer with the CQC and responsible for ensuring compliance with the CQC regulations. They are also responsible for coordinating resources within their Directorate towards the effective mitigation and management of clinical and non-clinical risks while ensuring that local leadership uses risk management as a tool for driving better decision-making, improvements in quality, safety and in fostering positive patient experience.

The Executive Director of Finance is the executive lead for risk management and is supported by the Associate Director of Corporate Governance and the Risk Manager. While the Executive Director of Finance has a lead role in terms of reporting arrangements, all directors have responsibility for the effective management of risks within their own area of direct management responsibility, and corporate and joint responsibility for the management of risk across the organisation. They are also responsible for internal financial controls and the implementation of financial risk management, information management systems, performance review, the programme management office, property management, commissioning and contracting. The Executive Director of Finance is the Senior Information Risk Officer (SIRO). The Trust has effective, agile and dynamic structures, including a governance architecture, systems and processes to support the effective delivery and embedding of integrated, enterprise-wide risk management arrangements. Birmingham and Solihull Mental Health NHS Foundation Trust`s risk management culture seeks to develop and build staff capacity, capability and resilience in effective risk management while encouraging horizon scanning for emerging risks/threats and the triangulation of intelligence and data in proportionally mitigating and managing risks to the delivery of its business objectives.

The Executive Director of Operations is responsible for the management and coordination of all operational risks. The Associate Directors of Operations, reporting to the Executive Director of Operations, are responsible for the performance of their areas. Clinical Directors are responsible for clinical quality and governance for their areas. Other professional heads have responsibility for the systems of risk management at service area level and lead their implementation.

The Executive Medical Director is the Caldicott Guardian.

The Associate Director of Corporate Governance and Company Secretary have overall responsibility for reporting to the Trust Board and Board Committees on the Board Assurance Framework within the context of providing assurance that risks linked to the delivery of Trust`s strategic objectives are robustly mitigated and managed in line with best practice. The Associate Director of Corporate Governance is responsible for coordinating the regular update and presentation of the Trust`s Corporate Risk Register (CRR), (reflecting high-level risks to the delivery of operational objectives on local risk registers), at the Risk Management Group (RMG), Board Committees and Board.

A primary focus of the Board has been to promote openness, transparency and to reinforce the dynamic, timely and agile process of escalation of concerns and risks from `Ward to Board`. This is further underscored through visible leadership, Board of Directors communications and Board visits.

Board Committees are required to consider risks pertaining to their areas of responsibility by reviewing the management of CRR and the Board Assurance Framework to ensure that effective controls are in place to manage corporate risks and to report any significant risk management and assurance issues to the Board of Directors. The Audit Committee considers the systems and processes in place to maintain and update the Assurance Framework, it considers the effectiveness and completeness of assurances and that documented controls are in place and functioning effectively. The Board of Directors receives reports and assurance from the Audit Committee, Quality, Patient Experience and Safety Committee, People Committee and the Finance, Performance and Productivity Committee meetings via the Chair`s Assurance Reports, discusses and notes progress and assurance, as necessary.

The Board of Directors, in exercising its responsibilities, also considers key indicators capable of showing improvements in risk management and/or providing early warning of emerging risks (e.g. incident and complaints statistics, progress in compliance with registration requirements of Care Quality Commission) through the Integrated Performance Report.

The Trust has a policy for statutory and mandatory training which requires that all senior managers of the organisation receive training and three yearly updates on core competencies in relation to risk management. The statutory and mandatory training programme reflects all key training requirements for risk management for all staff within the Trust. The risk management structure is detailed in the Trust's Risk Management Policy. It describes the responsibilities and accountabilities of all directors, managers and staff including the duty to identify, assess and report risks of all kinds and the duty to act upon these using their own skills and competencies in the management of risk. Effective risk management is everyone`s responsibility, hence the Trust ensures, through our management arrangements, that we provide training and support to staff on risk management such as:

- local and corporate induction training
- health and safety and risk awareness
- incident reporting and monitoring
- Accessing and navigating risk management systems (Eclipse).
- Fundamentals of risk management for Managers, Team Leaders, Directors and Senior Leaders across the Trust.

The risk and control framework

The Trust continually reviews its risk and control framework through its governance and operational structures. It has identified its major strategic risks, and these are monitored, maintained and managed through the Board Assurance Framework and the Corporate Risk Register, which is underpinned Directorate and Divisional risk registers. The Trust's approach to risk management is agile, comprehensive, dynamic, proportionate and recognises the need to ensure that risks are openly discussed and reported within a culture of improvement, honesty, and reality; as well as the need to strike a balance between stability, sustainability, and innovation.

The principal risks and mechanisms to control them are identified through the Board Assurance Framework, which is regularly reviewed by the RMG, Board Committees and Board of Directors. The Trust has adopted a multi-stakeholder approach to reviewing and updating its Board Assurance Framework; this has brought Non-Executive Directors, Executive Directors and staff together to review and update the BAF within the context of fostering and embedding shared learning and organisational memory. Board oversight and scrutiny of the Board Assurance Framework also includes gaps in controls

and assurance and explore `deep dives`, constructive challenge or `check and challenge` as mechanisms for fostering accountability, engagement and ownership of related risks and actions. Each Board Committee has responsibility for oversight and scrutiny of BAF and CRR risks under its remits while the RMG and Audit Committee receive and review both documents in their entirety. Both the BAF and CRR dovetail in leveraging assurance to the Board and its committees that the Trust`s risk management arrangements are fit-for-purpose.

Internal Audit provides assurance on the management of key risks and the effectiveness of the Risk Management Framework and process on a yearly basis. The Risk Management process is evaluated by Internal Audit on compliance and areas of best practice focusing on the BAF risk register and ensuring it is considered by the Trust Board and Committees sufficiently as well as risks at all levels and that there is evidence that the risks are appropriately managed.

Risks facing the organisation are identified from a number of sources, for example:

- Risks arising out of the delivery of day-to-day work-related tasks or activities.
- The review of strategic or operational ambitions.
- As a result of an incident or the outcome of investigations
- Following a complaint, claim or patient feedback.
- As a result of a health and safety inspection/assessment, external review or audit report.
- From external reviews, external visits, Peer Reviews, Regulatory inspections etc.
- National requirements and guidance.

The Audit Committee is responsible for:

- Reviewing the effectiveness of the system of internal control for risk management.
- Reviewing the BAF and CRR in their entirety prior to the Board receiving them.
- Preparing the Annual Governance Statement for approval by the Board.

The Quality, Patient Experience and Safety Committee (QPES) is responsible for:

- Reviewing the full high-level risk register to ensure that this is reflective of quality, and safety outcomes for the Trust.
- Reviewing the effectiveness of mitigating controls in managing related risks.
- Providing assurance of the credibility of the risk register content to the Board via the BAF.

The Finance, Performance and Productivity Committee (FPP) is responsible for:

- Reviewing the full high-level risk register to ensure that this is reflective of performance and financial sustainability outcomes for the Trust.
- Reviewing the effectiveness of mitigating controls in managing risk.
- Providing assurance of the credibility of the risk register content to the Board via the BAF.

The People Committee is responsible for:

- Reviewing the high-level risk register to ensure that this is reflective of workforce risks.
- Reviewing the effectiveness of mitigating controls in managing risk.
- Providing assurance of the credibility of the risk register content to the Board via the BAF.

The Risk Management Group:

- The Trust Risk Management Group is a formal Management Group established by the Chief Executive to discharge the responsibility of the Senior Leadership Team in overseeing the effective operationalisation of risk management while ensuring that there are robust

systems, processes and infrastructure in place to facilitate effective risk management across the Trust.

- The RMG has delegated responsibilities from the Chief Executive to review, scrutinise, provide constructive challenge and approve risks for inclusion onto the Trust`s Corporate Risk Register and above all, to support them in fulfilling their accountability function for effective risk management across the Trust.
- The RMG has overall responsibility for the effective management of risks across both the Provider Collaborative and Provider arms of the Trust.

The Transformation Board is responsible for:

- Reviewing all programme group risks linked to change programmes with a score of 15 and above and for applying risk moderation to determine the level of impact that these risks may have on delivery of corporate objectives. Where a significant impact is identified, the Transformation Board will escalate such risks to the high-level risk register.

Local Clinical Governance Committees, Trust wide governance groups, programme groups are responsible for:

- Reviewing all local and service/project specific risks and ensuring that these are documented on local risk registers.
- Identifying and tracking the implementation and effectiveness of risk mitigation actions to demonstrate dynamic risk management escalating risks with a score of 15 and above to the Clinical Governance Committee or Programme Management Board as appropriate.

The Board Assurance Framework and risk management systems are critical elements of the Trust's system of internal control and are subject to regular review by the Trust's Internal Auditor. The auditors undertook a review of the Trust`s risk management and BAF arrangements for 2023/24 and advised that, taking account of the issues identified, the board could take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed and consistently applied or effective. The auditors also noted some green shoots on the Trust`s risk management landscape as underpinned by the recent recruitment of a Risk Manager and the relaunching of the Risk Management Group with strong Divisional and frontline engagement.

The Trust has plans to address any issues that are identified during 2024/25 with improved alignment between the Board Assurance Framework, the CRR and risk management systems while the Internal Auditor will ensure that all outstanding tests are completed, so fully independent assurance could be provided.

Governance and Assurance Framework Key Elements			
Finance, Performance and Productivity Committee Provides assurance to the Board as to the effective management and utilisation of the Trust's resources. The Committee maintains oversight of financial control and management arrangements, the Digital Strategy, Estates Strategy and Green Plan. • Approving strategies and monitoring their implementation. • Receiving regular reports from sub-committees and groups responsible for managing operational performance, financial sustainability and capital project implementation. • Approval of business cases for investment and review of the achievement of business case benefits post-investment.	**Quality, Patient Experience and Safety Committee** Provides assurance to the Board as to the adequacy of controls to ensure the provision of high quality and safe care. This includes: • Receiving regular reports from sub-committees and groups focused on the core elements of quality – safety, effectiveness and patient experience, plus key areas of regulatory control, such as information governance and the Mental Health Act. • Monitoring compliance in areas such as safeguarding, infection control and safe working. • Reviewing independent assurance on quality from the internal auditor and regulatory and other review bodies. • Monitoring key quality metrics through regular reports. • Overseeing the implementation of significant quality improvement schemes.	**Audit Committee** Responsible for providing assurance to the Board on the Trust's financial and internal controls and risk management systems, the integrity of the financial statements and the effectiveness of the internal audit function. This includes: • Agreeing an annual Internal Audit Plan, which includes both core internal control matters and areas identified by the Board as high risk or requiring improvement. • Agreeing an annual counter fraud plan which is both proactive in reviewing and establishing fraud controls and reactive in responding to possible incidences of fraud. • Reviewing the Trust's governance framework and processes, including the Board Assurance Framework.	**People Committee** Provides assurance to the Board on the delivery of Workforce, Recruitment and People strategies. This includes: • Regular reports on staff wellbeing • Workforce plans • Promoting equality and diversity • Receiving regular reports from sub-committees and groups focusing on shaping our future workforce, safer staffing and transforming culture and staff experience. **Remuneration and Nomination Committees** Oversees the performance of members of the Board and assesses the mix of skills required. The Committee also considers the remuneration of Executive and Non-Executive Directors.
Council of Governors Obtains assurance regarding the performance of the Board from the Non-Executive Directors.	**Assurance Reports** Reported from each meeting of each Board Committee to draw the Board's attention to areas where the Committees have rated assurance as low or required actions to improve the level of assurance. Links to the Board Assurance Framework.	**Board Assurance Framework** Monitored by Board Committees and regularly refreshed to ensure it reflects the changing internal and external environment and the Trust's shifting priorities and objectives.	**Integrated Performance Report** A key assurance document that will continue to be developed during 2024/25 to provide the Board with an integrated summary of key performance metrics across finance, quality, people and operations.

During 2023/24 the most significant risks being addressed by the Trust are detailed below. The major risks are considered those rated at 15 or above at a corporate level on the standard 5x5 matrix for risk scoring. All areas identified have a work programme in place in mitigation.

Area	Risk
Trust wide	Shrinking supply of mental health nurse nationally. Additionally, difficulties in recruiting to and retaining Band 5 Registered Mental Health Nurse and shortage of experienced Band 6 Registered Mental Health Nurses continues to be a challenge. Nearly a third of all leavers are band 5 nurses and band 3 HCAs from inpatient settings (including secure services). Additionally, recent intelligence is showing that the bursary is impacting nursing in particular mental health nursing which historically attracted a mature workforce (e.g., the potential impact on living standards).
Trust wide	There is a risk that the Trust may fail to modernise its people practice in ensuring the achievement of its operational objectives. This may be caused by inability to deliver digital solutions or foster a psychologically safe environment. This may result in: - • Poor employer brand limiting recruitment. • Staff feeling vulnerable and unable to speak up resulting in missed opportunities to improve practice. • Increased retention of a valuable workforce. • Compensation costs. • Increased regulatory scrutiny, intervention, and enforcement action.
Trust wide	There is a risk that the Trust may fail in addressing racism and discrimination both behavioural and systemic across people and process. This may be caused by: - • lack of focus on an enabling a anti racist, anti-discriminatory culture. • Inability to change processes that enhance discrimination. • Lack of focus on identifying and addressing workforce inequalities. • Lack of focus on identifying and addressing health inequalities. This may result in: - • Sickness and recruitment challenges. • Lack of engagement. • Loss of trust and confidence with communities. • Services that do not reflect the needs of service users and carers. • Inequality across patient population. • Workforce that is not culturally competent to support populations and colleagues.

Area	Risk
Acute	Failure to recruit and retain staff to enable safe staffing levels could result in a breach of HCSA regulation 18 (staffing). Risk of increasing reliance on agency and temporary workforce, will result in poor continuity of care and impact on safer staffing requirements.
ICCR and Dementia and Frailty	There is a risk of potential insufficient capacity across Acute Care pathway to manage patient demand.

Area	Risk
	This is caused by demand outstripping supply and difficulties to recruit and retain staff in some roles. This may result in higher level of risk being managed in our community teams, Service Users being placed out of area, potentially meaning that patient are not being given the required levels of care or safety, rising financial cost with Out of Area placements and poor patient experience.
Acute	The pandemic has seen an increase in acuity and demand creating pressure across the acute care system.
Acute	There is a risk that patients will not be able to be admitted to an Acute inpatient bed within a timely manner, from both A&E and general wards. This is caused by the lack of bed availability. This may result in an impact on the quality of care and can exacerbate mental health due to a delay in treatment. It can also place a strain on capacity for PL staff who are trying to manage patients as well as new referrals. For the general hospital it limits the availability of A&E beds and impacts on general staff capacity. It can increase the risk for the patient as they are staying in an environment which doesn't have the same environmental controls in place as a psychiatric ward. It increases worry and distress for patients and their families.
Trust wide	Acuity and resourcing have impacted on seclusion of service users outside of purpose-built seclusion suites.
Trust wide	There is a risk that savings schemes may not be delivered in full by the Trust. This may be caused by the Trust failing to meet its financial plans. This may lead to a deficit in year, a fall in financial risk rating or inability to fund capital programme.
Urgent care	Increase in section 136 by police leading to increase clinical activity in urgent care.
Cyber security	There is an increasing requirement to protect the NHS from cyberattacks. There is a demand to focused arrangements 24/7 to protect the Trust from attack.

These risks will be carried forward into 2024/25.

The Trust has put in place controls and actions to mitigate these risks as these will be monitored, reported and escalated (if deemed necessary) through appropriate governance structures for oversight, scrutiny and assurance.

Through its risk management policies, the Board of Directors promotes open and honest reporting of incidents, risks and hazards. The use of a nationally recognised risk rating tool supported by agreed assurance level definitions ensures a standard approach is taken to prioritising risks.

The Board of Directors has kept under review its arrangements in relation to the NHS foundation trust condition 4 (FT governance). As identified above, each committee reviews its own effectiveness and the Board sub-committees have provided annual reports to the Board of Directors.

The Board of Directors has held sessions with the governors on a range of issues.

The Audit Committee ensures that any actions identified in the Corporate Governance Statement are reviewed and met.

The Policy Management Framework provides a comprehensive and structured standard process for the development, approval and review of all Trust policies. Inherent in this is the requirement for equality impact assessments to be undertaken on all policies. Compliance with all the requirements has to be demonstrated to the Clinical Governance Committee. However, responsibility for ratifying newly designed and updated Trust policies is assigned to the Policy Development Management Group (PDMG) and/or appropriate Board committee before a policy is uploaded onto Connect for staff to access.

An established Transformation Hub is in place which ensures overarching governance and risk management of all service development and change projects incorporating Project Management Office Projects, Quality Improvement Projects and Research and Innovation Projects.

The focus on training in relation to the new Patient Safety Incident Response Framework (PSIRF) has provided a paradigm shift from undertaking incident investigations via the use of root cause analysis techniques and human factors approach to compassionate engagement, strengthening response systems, improvement and a system-based approach to learning.

There are a range of formal mechanisms for engaging with partner organisations, governors, service users and the wider public, ensuring that risks are fully understood and are embedded into business planning and performance management processes. The Trust works closely with key stakeholders and there are a number of joint structures that already exist between agencies (e.g., strategic partnership board, system oversight groups and commissioning committees).

The Trust will endeavour to involve partner organisations (including those operating within the MHPC, Reach Out and LDA Collaboratives) in all aspects of risk management and has established a joint memorandum of understanding with system partners for multiagency serious incident reviews. Engagement of service users and carers is the key to our success. The Trust moves forward in this commitment through a number of initiatives. These include all aspects of service design, the mechanisms through which we hear and respond to user and carer feedback and all initiatives embedding recovery throughout services.

Co-production and co-design sit at the heart of the Trust's commitment, and throughout the year, we have sought to embody this as we create opportunities for people with lived experience of mental ill health to take an active part in all elements of delivery and design, as equal partners.

Emergency preparedness, resilience and response (EPRR) has facilitated a stepdown of the command-and-control structures which were setup during Covid-19 as the focus in 2023/24 shifted to supporting services across the Trust to reset their business continuity plans and strengthen their resilience post-Covid-19 as they gravitate towards some degree of normalcy.

The Trust's internal audit programme supports the organisation in continuously strengthening its governance processes.

The Trust recognises the continued complexity and challenges associated with cyber resilience and prioritises cyber security across all its data management responsibilities. We operate a multi-faceted approach to ensure we have the "Appropriate security", considering the nature of the personal data

being processed, the risk that processing poses to the individuals' rights and freedoms, and the resources and tools available to help protect that data. BSMHFT work closely with ICS Partners across Birmingham and Solihull and the National Cyber Security Centre, the UK's technical authority on cyber threats, in developing a set of security outcomes we can use when trying to determine the measures that are appropriate for them. These include:

- Managing security risk – having appropriate organisational structures, policies, and processes to manage security risks to personal data.
- Protecting personal data against cyber-attack – having appropriate security measures that cover both the personal data that is processed, as well as the systems that process it.
- Detecting security events – monitoring the status of systems processing personal data and ensuring that unexpected events can be acted on in an appropriate timeframe.
- Minimising the impact – restoring systems and services, managing incidents appropriately, and learning lessons for the future.

Future risks and associated mitigations are identified in a number of ways, including horizon scanning of the environment in which the Trust is operating, as well as through the regular refresh of the organisational risk register following the annual planning process. The Trust is required to be registered with the Care Quality Commission (CQC) for the delivery of services. The Trust achieved registration for all of our services with the CQC and holds an overall rating of Requires Improvement.

The Trust also received Section 29A notices in 2022/23 in relation to safer staffing, management and clinical supervision and these continued into 2023/24. Additionally, a further two Section 29A notices were issued to the Trust in August 2023, following a Focused inspection of CMHTs. These relate to Medicines Management and Risk Assessments and Care Plans. The Trust continues to closely monitor and govern the associated improvement plans around these areas and is providing monthly monitoring updates to the CQC Steering Group on progress, alongside participation in two monthly monitoring meetings with the regulator.

The organisation has several patient experience groups, where patients and carers are members. These oversee and monitor involvement and patient experience activity in the Trust. Our patient advice service (PALS) captures low-level concerns and issues raised by patients and the public. It is also fully integrated within the complaint's management process. These and other patient experience issues are considered and ultimately reported to the Quality, Patient Experience and Safety Committee.

Board papers, agendas and minutes are also shared with the wider Council of Governors. The CoG-led Nomination and Remuneration Committee met on 4th April 2023 to draw the curtains on the process for selecting, recruiting and appointing the Chair of the Board of Directors and to endorse their appointment. It also met on 22nd June 2023 to consider extra allowances for the SID and Chair of the Audit Committee for additional responsibilities and to oversee the appointment of the Deputy Chair. The CoG-led Nomination and Remuneration Committee equally met 24th August 2023 to approve the process for recruiting two additional NEDs, approve its ToR and to endorse the payment of an allowance to the previous Deputy Chair. The NED-led Nomination and Remuneration Committee on the other hand, met on 9th November 2023 to consider the process for selecting, recruiting and appointing the Chief Nursing Officer (CNO). Members during this meeting also approved its ToR, the salary range for the CNO and reviewed and endorsed the pay award for VSM for 2023/24.

The Lead and Deputy Lead Governors who were elected by the Council of Governors in 2022/23 following recommendations from a `Task and Finish Group` are continuing to add bandwidth to the Council`s capacity, capability and contributions to the Trust`s overall governance arrangements. These postholders are contributing to improving the Council`s relationship with the Board, external stakeholders and partners within the geographical footprint.

The Council of Governors is an important piece of the overall governance jigsaw of the Trust. The foundation trust has an on-line portal for the declaration of interests including gifts and hospitality, for decision making staff and can be access by staff and members of the public here: https://bsmhft.mydeclarations.co.uk/home. 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. Compliance is reported on an annual basis with regular progress/actions being taken to the Integrated Quality Committee.

The Trust has three staff networks (BAME, Disability and Neurodiversity and LGBTQ+) which are recognised as key stakeholder groups within the Trust decision-making and consultative processes. In addition, the networks play a key role in supporting the Trust in its commitment towards national standards including the NHS Workforce Disability Equality Standards, Accessible Information Standards as well as our commitment towards our Equality, Diversity and Inclusion Framework.

Audit Committee and the role of Internal Audit

The Trust uses a comprehensive Internal Audit service as part of its assurance process around internal controls. An annual risk-based internal audit work programme is approved by the Audit Committee and progress is reported at each meeting. The work programme may be amended during the year to respond to the Trust's changing needs or any emerging risks.

Reports of each review within the work programme include an assurance rating for Design and Compliance, either:

- Substantial Assurance
- Reasonable Assurance
- Partial Assurance
- Minimal Assurance

Each review also includes a management response which describes the actions the Trust will take to address any recommendations for improvement. The Audit Committee receives regular reports on progress to implement these actions.

The Head of Internal Audit Opinion for 2023/24 gave the Trust a negative rating, identifying weaknesses in the framework of governance, risk management and control. This opinion was based on the internal audit reviews carried out during the year, a number of which were provided a partial assurance rating. The reviews undertaken during the year are detailed below.

A number of internal audit reviews were carried out during 2023/24. The following received a rating of Reasonable Assurance:

- Cost Improvement Programme
- Board Assurance Framework

The Audit Committee was satisfied with the progress that had been made in both areas, and received additional assurance on developments that would make further improvements.

The following internal audit reviews received a rating of Partial Assurance:

- Complaints
- Emergency Preparedness, Resilience and Response
- Waiting Times
- Clinical Governance Committee Effectiveness
- Sickness Absence Management

The following internal audit reviews received a rating of Minimal Assurance:

- Disciplinary Process

Advisory reports into Finance Culture and Seclusion and Long-Term Segregation had also been undertaken and received by the Committee for assurance.

The Audit Committee received each of these reviews at meetings during the year and were advised of the recommendations and actions associated with each to make significant improvements. The senior lead or executive director responsible for each review was present to provide the Committee with assurance that plans had been put in place in line with the auditors' recommendations. Oversight of the actions associated with the reviews was formally given to People Committee, Quality, Patient Experience and Safety Committee and Finance, and Performance and Productivity Committee, as applicable. The Audit Committee continued to receive assurance on action plans through regular action and recommendation tracking reports.

Well Led Framework

Far back in February 2020, the Trust engaged the Good Governance Institute, to identify actionable activities that will be transformational in nature and will help the Trust in sustaining the governance reforms. Throughout 2023/24, the Trust has ensured that the learning and recommendations from its engagement with the GGI are implemented and governance processes streamlined with reports presented to the Board of Directors.

The principle of learning lessons remains a priority. The Trust continues to receive assurance by receiving an integrated quality report on a quarterly basis at the Quality, Safety, Patient Experience Committee meeting which provides an overview of aggregated intelligence arising from incidents, regulators, complaints, inquests and litigation by quarter. The document underscores the volume of intelligence being reported within the Trust, alongside the underlying issues of risk to be addressed moving forward.

It is every staff member's duty to seek to minimise risk and to report untoward incidents where they occur in order to prevent recurrence. All members of staff are responsible for managing risks within the

scope of their role and as part of their responsibilities as employees of the Trust, working to professional codes of conduct. The Trust aims to systematically review and learn from untoward incidents and complaints. Good practice and changes to policies are communicated through email, intranet, service area reports, newsletters, and team briefs.

All performance information in relation to the Trust's priority indicators are reported to the Quality, Patient Experience and Safety Committee and Finance, Performance and Productivity Committee. Each report includes a RAG rating of data accuracy reflecting entry accuracy, timeliness, and reporting accuracy.

In line with its strategic framework and values, the Trust has further sought to ensure a culture of openness and empowerment to its staff. This is intended to ensure that risks can be promptly identified and responded to. This is reinforced in a range of ways including:

- Promotion of incident reporting. The Trust actively seeks to increase the level of incident reporting – particularly for non-nursing staff groups who tend to report less.
- Weekly feedback brief sent to all staff from the Chief Executive.
- High Board level presence within clinical teams and departments.
- The reinforcement of the role of the Freedom to Speak Up Guardian.
- Delivery of a range of staff engagement activities which build on our previous work to regularly promote staff engagement and recognition activities and events at the Trust.

The Trust in 2023/24 adopted the new Patient Safety Incident Response Framework (PSIRF) which sets out a new approach to developing and maintaining effective systems and processes for responding to patient safety incidents with the overarching aims focused on learning and improving patient safety. This has led to a number of Safety Summits being organised across the Trust during which staff familiarised themselves and learnt about the new PSIRF framework as it has now been widely adopted for use across the Trust in investigating, learning from patient safety incidents and fostering the Trust`s safety culture. Members of the Board and the Quality, Patient Experience and Safety Committee have received presentations on the new PSIRF framework from the Trust`s Patient Safety team and familiarised themselves with this new patient safety tool.

Assurance in relation to CQC regulation requirements is led by the Executive Lead, Director of Quality and Safety *(Chief Nursing Officer),* and Associate Director of Governance. Our internal approach to peer review against the regulatory framework enables local understanding of regulatory requirements and compliance with teams being empowered to self-assess compliance resulting in the sharing of good practice and the development of local improvement plans.

The Trust learns from good practice through a range of mechanisms including national guidance/alerts, benchmarking, clinical supervision and reflective practice, individual and peer reviews, performance management, continuing professional development programmes, clinical audit and application of evidence-based practice and meeting risk management standards.

There are formal mechanisms in place to ensure that external changes to best practice, such as those issued by the National Institute for Clinical Excellence, are incorporated into Trust policies procedures and clinical guidelines.

The focus of investigations around serious incidents is to identify system failures which can then be addressed through action plans. The Trust actively promotes a system approach to incidents to ensure

appropriate risk reporting and support teams to address weaknesses when identified. The Trust has established a Compassion at Work Group to ensure that support is available to staff undergoing challenging times with Schwartz Rounds and Balint Groups in place.

The Trust received a Well-led inspection from the CQC in 2022/23 and a focused inspection of Community-based Mental Health Services for adults of working age and given a rating of "Requires Improvement". The Trust believes this is a fair assessment given the difficulties it has faced as an organisation and as a system in BSol over the last three years. It is however, pleasing to note that the CQC report acknowledges that, as an organisation, the Trust recognises the challenges it faces, is clear about the areas it needs to continue to improve and the work that has been done to address some of its difficulties.

Review of economy, efficiency and effectiveness of the use of resources

The Trust reviews economy, efficiency and effectiveness through the review of finance and performance at budget manager, associate director and overall Trust level. In addition to a system of devolved budget management, the Trust considers performance, quality standards and financial targets through a range of formal Trust groups, such as Sustainability Board and Performance Delivery Group. There is also a system of reporting finance and performance to the Board of Directors, supported by detailed performance and financial reporting to the Finance, Performance and Productivity Committee.

As the Trust operated through the pandemic and post-pandemic era with a focus on key areas (emerging from COVID-19; quality and safety; health and wellbeing of staff; risk; finance/impacts on performance and statutory requirements) it adapted its finance and performance approach to be flexible to support system partners and patients.

The New Code of Audit Practice relating to Value for Money has increased the prominence and expectations of Audit Committees as those charged with governance. Specifically, one of the indicators of 'adequate arrangements' covers 'effective challenge from those charged with governance/audit committee'. The arrangements, which are explicitly considered by the Audit Committee, are as follows:

Proper arrangements	Is the arrangement described in the AGS?
Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services, including	
how the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them.	The Trust has well established routines for identifying and quantifying financial pressures which has been proven to be effective by the degree of the Trust's compliance with its financial plans. The Trust has decided to improve its process of identifying financial pressures as they emerge.
how the body plans to bridge its funding gaps and identifies achievable savings.	As part of its normal financial planning processes, the Trust identifies estimates of any financial gaps in the short and medium term and uses them to set savings targets. Schemes are assessed using Clinical, Quality and Equality Impact Assessments.

Proper arrangements	Is the arrangement described in the AGS?
how the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities.	Saving schemes are assessed using Clinical, Quality and Equality Impact Assessments.to ensure they are sustainable, and impacts are understood.
how the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system.	Trust officers work together to ensure consistency between various plans and work closely with colleagues across the STP to ensure consistency and alignment with local system plans.
how the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.	Trust officers triangulate the financial position with other relevant issues, such as demand, workforce, to identify emerging themes and initiate corrective action where required.

Proper arrangements	Is the arrangement described in the AGS?
Governance: how the body ensures that it makes informed decisions and properly manages its risks, including	
how the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud.	The Trust has a robust internal audit service, supplied by TIAA, which provides independent assurance over its approach to risk. TIAA also supply a comprehensive counter fraud service.
how the body approaches and carries out its annual budget setting process.	The Trust carries out an annual planning process that considers emerging pressures, developments and commissioning intentions. Budgets are developed a spart of this exercise and considered for approval by the Board.

Proper arrangements	Is the arrangement described in the AGS?
how the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed;	The Trust has a range of management groups to review performance on a monthly basis including financial and to initiate any required corrective action. These groups include performance Delivery Group, Sustainability Board and the Strategy and Transformation Board. This process provides assurance to Board sub-committees, including IQC, FPP and People, The Integrated Performance Report is provided to the Board on a monthly basis to summarise all these matters.

Proper arrangements	Is the arrangement described in the AGS?
how the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee.	The Board committees review all relevant matters to provide assurance to the Board. This process includes objective challenge, and the Audit Committee independently reviews performance, the annual accounts and the annual report. An internal audit service is provided by RSM to offer independent assurance to the Audit Committee.
how the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/ conflicts of interests).	The Company Secretary maintains appropriate registers including declarations of interest and provides appropriate advice and guidance as required by the Board and its committees.

Proper arrangements	Is the arrangement described in the AGS?
Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services, including:	
how financial and performance information has been used to assess performance to identify areas for improvement.	The Trust's Integrated Performance Report which is reviewed by the Executive Team, the Performance Delivery Group and the Board and its committees offers a balanced analysis of performance across all domains, offering insights to Board committees.
how the body evaluates the services it provides to assess performance and identify areas for improvement;	The Trust's Integrated Performance Report which is reviewed by the Executive Team, the Performance Delivery Group and the Board and its committees offers a balanced analysis of performance across all domains, offering insights to Board committees.
how the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve;	The Trust has identified partnerships as a key element in its refreshed strategy and monitors effectiveness and engagement on an ongoing basis. The Director of Strategy, People and Partnerships has the executive lead in this area.
where the body commissions or procures services, how the body.	The Trust operates a dedicated procurement function to police and support its relevant activities in this area,
ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits.	including the delivery of value for money. This function is subject to cyclical review by Internal Audit.

Climate change

SSL is supporting this agenda on behalf of the Trust. A Green Plan has been written and ratified by the Trust Board and a multi-disciplinary steering Group helps to lead and make interventions happen. SSL are also supporting the ICS in the Sustainability Agenda and have established a Green Plan and supported the revised Governance structure and Performance Management framework. SSL have also worked closely with NHSE regarding self-assessments, communication and reporting whilst focussing on regional priorities and aspirations. Adaptation of building and services to that of Climate change is challenging and ongoing and represents a significant challenge to the NHS. Moving forward the Trust will need to consider producing a Climate Change adaptation Plan focussing on its staff and its healthcare services and how the same need to adapt practices and processes to meet climate extremes.

In conclusion, the Trust has identified a number of significant internal control issues. These issues have been identified through the internal audit reviews highlighted within the Annual Governance Statement, and the Head of Internal Audit Opinion. The significant internal control issues relate to the following areas:

- Complaints
- Emergency Preparedness, Resilience and Response
- Waiting Times
- Clinical Governance Committee Effectiveness
- Sickness Absence Management
- Disciplinary Process

The Trust has demonstrated its commitment to address the agreed management actions to introduce necessary control improvements. Throughout the year the Audit Committee has received regular recommendation tracking reports for assurance that improvements are being made, and escalation taken where necessary.

Roísìn Fallon-Williams
Chief Executive

20 June 2024

Independent auditor's report to the Council of Governors of Birmingham & Solihull Mental Health NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Birmingham & Solihull Mental Health NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2024 which comprise the Group Statement of Comprehensive Income, the Trust and Group Statements of Financial Position, the Trust and Group Statements of Changes in Taxpayers' Equity, the Trust and Group Statements of Cash Flows, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2023/24 as contained in the Department of Health and Social Care Group Accounting Manual 2023/24, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and Group as at 31 March 2024 and of the Trust's and the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the Department of Health and Social Care Group Accounting Manual, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's or the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2023/24 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust and Group, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring with management and the Audit Committee, as to whether the Trust and the Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and the Group which were contrary to applicable laws and regulations, including fraud.

We evaluated the Accounting Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;

- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in February 2023.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We have nothing to report in this respect.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in May 2024.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24; and

- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2023/24; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of Birmingham & Solihull Mental Health NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Certificate

We certify that we have completed the audit of Birmingham and Solihull Mental Health NHS Foundation Trust and Birmingham and Solihull Mental Health NHS Foundation Trust Group in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Daniel Watson
For and on behalf of Forvis Mazars LLP

1 St Peters Square, Manchester, M2 3DE

27 June 2024

BIRMINGHAM and SOLIHULL MENTAL HEALTH
NHS FOUNDATION TRUST

Consolidated Financial Statements

March 31 2024

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024

Foreword to the Accounts

These accounts, for the year ended 31 March 2024, have been prepared by Birmingham and Solihull Mental Health NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Roisin Fallon-Williams, Chief Executive
20th June 2024

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024

Consolidated Statement of Comprehensive Income for the year ended March 31 2024	Note	2023/24 £000	2022/23 £000
Income from patient care activites	2	597,919	403,031
Other operating income	2	29,335	25,684
Operating costs	4	(620,885)	(419,971)
Operating Surplus / (Deficit)		6,369	8,744
Finance Costs			
Finance income	7	4,228	1,289
Finance costs	8	(15,353)	(5,998)
PDC Dividend payable		-	(1,386)
Net Finance Costs		(11,125)	(6,095)
Corporation tax expense	29	(228)	(390)
Surplus / (Deficit) for the year		(4,984)	2,259
Other comprehensive Income / (Expense)			
Will not be reclassified to income and expenditure:			
(Impairments) / Reversal of Impairments on property, plant and equipment		(496)	-
Revaluation (losses) / gains on property, plant and equipment		6,806	4,941
Total comprehensive income / (Expense) for the year		1,326	7,200

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024

Statement of Financial Position	Note	Group		Trust	
		March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
		£000	£000	**£000**	£000
Non-current assets					
Intangible assets	9	**3,122**	4,321	**3,122**	4,321
Property, plant and equipment	10	**209,351**	200,644	**86,455**	83,520
Right of use assets	11	**8,185**	9,260	**87,600**	93,399
Subsidiary investment	13	**-**	-	**29,486**	27,849
Trade and other receivables	14	**1,392**	1,529	**61,479**	60,593
Total non-current assets		**222,050**	215,754	**268,142**	269,682
Current assets					
Inventories	12	**401**	621	**266**	248
Trade and other receivables	14	**21,174**	28,188	**22,927**	30,486
Cash and cash equivalents	22	**92,228**	59,020	**87,020**	56,698
Total current assets		**113,803**	87,829	**110,213**	87,432
Current liabilities					
Trade and other payables	15	**(82,206)**	(59,178)	**(78,754)**	(57,223)
Borrowings	17	**(7,298)**	(5,670)	**(11,924)**	(10,855)
Provisions for liabilities and charges	19	**(1,297)**	(1,464)	**(1,297)**	(1,464)
Other liabilities	16	**(45,225)**	(40,410)	**(45,225)**	(40,410)
Total current liabilities		**(136,026)**	(106,722)	**(137,200)**	(109,952)
Total assets less current liabilities		**199,827**	196,861	**241,155**	247,162
Non-current liabilities					
Borrowings	17	**(108,079)**	(78,682)	**(183,612)**	(158,038)
Provisions for liabilities and charges	19	**(3,015)**	(3,698)	**(3,015)**	(3,698)
Other liabilities	30	**(142)**	(123)	**-**	-
Total non-current liabilities		**(111,236)**	(82,503)	**(186,627)**	(161,736)
Total assets employed		**88,591**	114,358	**54,528**	85,426
Financed by (taxpayers' equity)					
Public dividend capital		**115,050**	114,550	**115,050**	114,550
Revaluation reserve		**48,004**	41,694	**8,812**	7,807
Income and expenditure reserve		**(74,463)**	(41,886)	**(69,334)**	(36,931)
Total taxpayers' equity		**88,591**	114,358	**54,528**	85,426

The accounts and the associated notes were approved by the Audit Committee, who have delegated authority from Trust Board to approve the financial statements. The financial statements were approved on 20th June 2024 and signed on its behalf by:

Signed: .....Roisin Fallon-Williams, Chief Executive

Date: 20th June 2024

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024

Group Statement of Changes in Taxpayers' Equity	Total taxpayers' equity £000	Public dividend capital £000	Revaluation reserve £000	income and expenditure reserve £000
Taxpayers' Equity at April 1 2023	114,358	114,550	41,694	(41,886)
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	(27,593)	-	-	(27,593)
Surplus / (Deficit) for the year	(4,984)	-	-	(4,984)
Revaluation gains/ (losses) on property, plant and equipment	6,310	-	6,310	-
Public Dividend Capital Received	500	500	-	-
Taxpayers' Equity at March 31 2024	88,591	115,050	48,004	(74,463)
Taxpayers' Equity at April 1 2022	105,381	113,050	36,753	(44,422)
Implementation of IFRS 16 on 1 April 2022	277	-	-	277
Surplus / (Deficit) for the year	2,259	-	-	2,259
Revaluation gains/ (losses) on property, plant and equipment	4,941	-	4,941	-
Public Dividend Capital Received	1,500	1,500	-	-
Taxpayers' Equity at March 31 2023	114,358	114,550	41,694	(41,886)

Trust Statement of Changes in Taxpayers' Equity	Total taxpayers' equity £000	Public dividend capital £000	Revaluation reserve £000	income and expenditure reserve £000
Taxpayers' Equity at April 1 2023	85,426	114,550	7,807	(36,931)
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	(27,593)	-	-	(27,593)
Surplus / (Deficit) for the year	(4,810)	-	-	(4,810)
Revaluation gains/ (losses) on property, plant and equipment	1,005	-	1,005	-
Public Dividend Capital Received	500	500	-	-
Taxpayers' Equity at March 31 2024	54,528	115,050	8,812	(69,334)
Taxpayers' Equity at April 1 2022	83,229	113,050	6,443	(36,264)
Implementation of IFRS 16 on 1 April 2022	278	-	-	278
Surplus / (Deficit) for the year	(945)	-	-	(945)
Revaluation gains/ (losses) on property, plant and equipment	1,364	-	1,364	-
Public Dividend Capital Received	1,500	1,500	-	-
Taxpayers' Equity at March 31 2023	85,426	114,550	7,807	(36,931)

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024

Group statement of cash flows	Note	Group		Trust	
		March 31 2024	March 31 2023	March 31 2024	March 31 2023
		£000	£000	£000	£000
Cash flows from operating activites					
Operating (deficit) / surplus for the year		6,369	8,744	5,037	3,900
Depreciation and amortisation	4	9,789	9,910	11,417	11,904
Impairments	4	544	-	444	103
Reversals of impairments	4	-	(2,249)	-	-
Loss / (gain) on disposal		-	32	-	32
(Increase) / decrease in trade and other receivables		6,740	(17,157)	7,233	(16,873)
(Increase) / decrease in inventories		219	(198)	(19)	15
Increase / (decrease) in trade and other payables		22,511	11,873	22,304	9,886
Increase / (decrease) in other liabilities		4,815	15,040	4,815	15,119
Increase / (decrease) in provisions		(850)	(358)	(850)	(354)
Corporation tax (paid) / received		(238)	(294)	-	-
Other movement in operating cash flows		-	-		-
Net cash generated from operating activities		49,899	25,343	50,381	23,732
Cash flows from investing activities					
Interest received	7	4,228	1,289	6,309	3,394
Purchase of financial assets & Investments		-	-	(5,455)	(1,748)
Proceeds from settlements of financial assets & investments		-	-	2,671	2,546
Purchase of intangible assets	9	-	-	-	-
Purchase of property, plant and equipment	10	(9,811)	(11,805)	(7,289)	(6,779)
Initial direct costs or up front payments in respect of new right of use assets (lessee)		-	(15)	-	-
Sales of property, plant and equipment		-	409	-	409
Net cash used in investing activities		(5,583)	(10,122)	(3,764)	(2,178)
Cash flows from financing activites					
Public dividend capital received		500	1,500	500	1,500
Public dividend capital repaid		-	-		-
Loans repaid to foundation trust financing facility		(2,183)	(2,183)	(2,183)	(2,183)
Capital element of lease liability repayments		(1,061)	(1,057)	(5,444)	(5,471)
Capital element of private finance initiative obligations		(3,392)	(1,734)	(3,392)	(1,734)
Interest paid on loans from foundation trust financing facility		(1,091)	(1,185)	(1,091)	(1,185)
Interest element of lease liability repayments		(86)	(79)	(889)	(935)
Interest element of private finance initiative obligations		(4,110)	(4,773)	(4,110)	(4,773)
PDC dividend paid		314	(1,489)	314	(1,489)
Net cash used in financing activities		(11,109)	(11,000)	(16,295)	(16,270)
Net increase/ (decrease) in cash and cash equivalents		33,207	4,221	30,322	5,284
Cash and cash equivalents at 1 April		59,020	54,799	56,698	51,414
Cash in hand (petty cash)	22	58	32	58	32
Cash at commercial banks	22	5,208	2,322	-	-
Cash at GBS	22	86,962	56,666	86,962	56,666
Cash and cash equivalents at 31 March		92,228	59,020	87,020	56,698

Birmingham and Solihull Mental Health NHS Foundation Trust
March 31 2024
Notes to the financial statements

1 **Accounting policies and other information**

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

The Trust completes a going concern assessment each and every year and checks that this is consistent with the assessment by its subsidiary Summerhill Services Limited (SSL), as there is some degree of interdependence.

Like many NHS Trusts we rely on custom and practice. As in previous years, the Board has stated that it considers that the group has adequate resources to continue in operational existence for the foreseeable future and the accounts have been prepared on a going concern basis. In reaching this decision, the Board considered the medium-term financial plans of the organisation including income and expenditure, the capital programme and associated funding, cash, and financial performance indicators.

The COVID-19 emergency created many new risks, but the Trust is not at any greater risk than all other NHS organisations.

1 **Accounting policies and other information (continued)**

1.3 Consolidation

Subsidiary entities are those over which the Foundation Trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Birmingham and Solihull Mental Health NHS Foundation Trust has one 100% owned subsidiary, Summerhill Services Ltd (formerly known as Summerhill Supplies Limited until September 28 2018), which commenced trading on December 1 2012. The amounts consolidated are drawn from the published accounts of the subsidiary for the year ending March 31 2024. The shares held are ordinary and aggregate capital and reserves amount to £23,195k as at March 31 2024 (£21,847k as at March 31 2023). Summerhill Services Limited made a loss of £288k in the year ended March 31 2024 (2022/23: £44k).

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with the subsidiary. Where the subsidiary's accounting policies are not aligned with those of the Trust (including where they report under UK GAAP) then amounts are adjusted during consolidation where the differences are material. There are a number of differences that existed at the reporting date. In accordance with the Group Accounting Manual a separate statement of comprehensive income for the parent (the Trust) has not been presented.

The divergence from the GAM that NHS Charitable Funds are not consolidated with NHS Trust's own returns is removed. Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact. The Foundation Trust is the Corporate Trustee of Birmingham and Solihull Mental Health NHS Foundation Trust Charity-Caring Minds (Charity number 1098659) and therefore under IAS 27 Consolidated and seperate financial statements should consider whether to consolidate its financial statements if the charity is material to the Foundation Trust. The Foundation Trust has has not consolidated the Charity into the Trust accounts due to materiality as the Charity's income and expenditure are less than 1% of the Trust's income. This will be reviewed each financial year.

The primary statements and notes to the accounts are presented with separate ‘Group’ and ‘Trust’ columns. However when the difference between Group and Trust is not material they are shown as a singular column marked "Group and Trust".The foundation trust is able to take advantage of an exemption afforded by the Companies Act to omit the statement of comprehensive income for the foundation trust parent if it wishes. As a foundation trust we have taken advantage of this exemption. The Parent company surplus for the year can be found with the financial summary section of the annual report.

1 **Accounting policies and other information (continued)**

1.4 Income

Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets. within 'aligned payment and incentive' contracts.

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.

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.

Mental health provider collaboratives

NHS led provider collaboratives for specialised mental health, learning disability and autism services involve a lead NHS provider taking responsibility for managing services, care pathways and specialised commissioning budgets for a population. As lead provider for both Reach Out and Birmingham and Solihull PC, the Trust is accountable to NHS England and as such recognises the income and expenditure associated with the commissioning of services from other providers in these accounts. Where the trust is the provider of commissioned services, this element of income is recognised in respect of the provision of services, after eliminating internal transactions. The income received by Reach Out is from NHSE Direct and income received by Birmingham and Solihull PC is from the Birmingham and Solihull ICB.

Other Income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1 **Accounting policies and other information (continued)**

1.5 Expenditure on employee benefits

Short-term Employee Benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the year in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the year is recognised in the accounts to the extent that employees are permitted to carry-forward leave into the following year.

1.6 Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

NEST Pension Scheme

National Employment Savings Trust is a defined contribution pension scheme that was created as part of the government’s workplace pensions reforms under the Pensions Act 2008 (as amended by Pensions Act 2014). There are currently 407 employees enrolled in this service as at 31 March 2024.

1 **Accounting policies and other information (continued)**

1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when 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.

1.8 Property, plant and equipment

Recognition

Property, Plant and Equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes;

• it is probable that future economic benefits will flow to, or service potential be provided to, the Foundation Trust or Group;

• it is expected to be used for more than one financial year;

• the cost of the item can be measured reliably;

• individually have a cost of at least £5,000;

• where the assets are functionally interdependant, collectively have a cost of at least £5,000 and individually have a cost of more than £250, 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 cost of a new building, ward or unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Property assets are measured subsequently at fair value. Assets under the course of construction are subsequently measured at fair value once the asset is brought into use. Other assets including plant, machinery, IT and equipment that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or both, as this is not considered to be materially different from current value in exisitng use.

1 **Accounting policies and other information (continued)**

1.8 Property, plant and equipment (continued)

Fair Value is to be determined for Operational Assets under IAS 16. Fair Value has been clarified by HM Treasury as being reflected by "Market Value" with the explicit assumption that "property is sold as part of the continuing enterprise in occupation". The approach is reflected primarily on the basis of Depreciated Replacement Cost (DRC) for specialised operational property and Existing Use Value for non-specialised operational property.

DRC valuations from the District Valuer are prepared using the Modern Equivalent Asset method of valuation in accordance with the requirements of HM Treasury "Guidance on Asset Valuation" paper (interpreting the RICS UK GN on DRC formerly known as UKGN 2 and before that VIP 10). The Modern Equivalent Assets method was prepared on an alternate site basis.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the Foundation Trust or Group and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of Property, Plant and Equipment are depreciated over their remaining useful economic lives on a straight line basis which is a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-statement of financial position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Foundation Trust or Group, respectively.

Revaluation and impairment

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating Expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.
Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments 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 equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment. An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

1 **Accounting policies and other information (continued)**

1.8 Property, plant and equipment (continued)

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. 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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1 **Accounting policies and other information (continued)**

1.8 Property, plant and equipment (continued)

Private finance initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-statement of financial position' by the Trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ("life cycle replacement") are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

Assets contributed by the Foundation Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Foundation Trust's Statement of Financial Position

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI, LIFT and other service concession arrangement liabilities have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.

1 **Accounting policies and other information (continued)**

1.9 Intangible assets

Recognition
Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Foundation Trust's or Group business, 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 Foundation Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:
• the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
• the Foundation Trust or Group intends to complete the asset and sell or use it;
• the Foundation Trust or Group 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 Foundation Trust to complete the development and sell or use the asset; and
• the Foundation Trust or Group can measure reliably the expenses attributable to the asset during development.

Software
Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1 **Accounting policies and other information (continued)**

1.10 Government grants

Government grants are grants from Government bodies other than income from Integrated Care Boards or NHS Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.11 Inventories

Inventories are valued at the lower of average cost and net realisable value. Average cost is calculated based on the average purchase price of the inventory held. Provisions are made for slow moving, defective and obsolete inventory if considered necessary by management.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.12 Financial assets, financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through profit and loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

1 **Accounting policies and other information (continued)**

1.12 Financial assets, financial instruments and financial liabilities (continued)

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition
Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1 **Accounting policies and other information (continued)**

1.13 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee
Recognition and initial measurement
At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 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 or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement
As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

1 **Accounting policies and other information (continued)**

1.13 Leases (continued)

The Trust as a lessor
The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases
Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases
Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16 in 2022/23
IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee
For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor
Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements was reassessed with reference to the right of use asset.

1 **Accounting policies and other information (continued)**

1.14 Provisions

The Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	4.26%	3.27%
Medium-erm	After 5 years up to 10 years	4.03%	3.20%
Long-term	After 10 years up to 40 years	4.72%	3.51%
	Exceeding 40 years	4.40%	3.00%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2024:

	Inflation rate	Prior year rate
Year 1	3.60%	7.40%
Year2	1.80%	0.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post employment benefits discount rate of 2.45% in real terms (prior year: 1.70%).

1.15 Contingent liability

A contingent liability is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Foundation Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably.

1.16 Contingent asset

Contingent assets (assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity’s control) are not recognised as assets, but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

1.17 Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the NHS Foundation Trust is disclosed at note 19.1 but is not recognised in the NHS Foundation Trust accounts.

1 **Accounting policies and other information (continued)**

1.18 Non-clinical risk pooling

The NHS Foundation 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 the NHS Resolution (Formerly NHS Litigation Authority or NHSLA) 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.

1.19 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.20 Taxation

Value added tax (VAT)

Most of the activities of the Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Corporation tax

Healthcare activities of the NHS Foundation Trust are outside the scope of Corporation Tax. Summerhill Services Ltd is liable to corporation tax charges.

Current tax is recognised at the amount expected to be paid or recovered for the period based on tax rates and laws that have been enacted or substantively enacted at the statement of financial position date.

Deferred Tax

Deferred tax is provided in full, using the liability method, on taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not accounted for if it arises from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

1.21 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 to the accounts in accordance with the requirements of HM Treasury's Group Accounting Manual.

1 **Accounting policies and other information (continued)**

1.22 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Provisions

  Provisions have been recognised in these accounts for restructuring which relates to the cost of restructuring a service where an obligation exists at the year end; the most significant cost being redundancy and termination payments. Provisions are only recognised after a clear decision has been made to remove a post and the decision has been communicated to those affected. It is likely that these amounts will be settled during the year ended 31 March 2025.

- Modern Equivalent Asset (MEA)

  Department of Health and Social Care guidance specifies that the Trust's land and buildings should be valued on the basis of depreciated replacement cost, applying the Modern Equivalent Asset (MEA) concept. The MEA is defined as "the cost of a modern replacement asset that has the same productive capacity as the property being valued." Therefore the MEA is not a valuation of the existing land and buildings that the Trust holds, but a theoretical valuation for accounting purposes of what the Trust could need to spend in order to replace the service potential that those assets have.

  In determining the MEA, the Trust has to make assumptions that are practically achievable, however, the Trust is not required to have any plans to make such changes.

  The Trust is satisfied that the assumptions underpinning the MEA valuation are practically achievable, would not change the services provided by the Trust, and would not impact on service delivery or the level and volume of service provided. This is because all staff are contracted to work across all sites, and the catchment area for patients using the services has been taken into account when deciding on an appropriate alternative site.

  The Trust does not intend to implement any of the theoretical assumptions that underpin the MEA valuation.

1.23 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Property useful economic lives

  The Trusts' buildings and equipments are depreciated over their remaining useful economic lives as described in note 1.6. Management assesses the useful economic life of an asset when it is brought into use and periodically reviews for reasonableness. The review is based on physical lives of similar class of building asset as calculated by the District Valuer and updated to make a best estimate of the useful economic life.

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. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

1 **Accounting policies and other information (continued)**

1.24 Other standards, amendments and interpretations

Amendments to the following standards are applicable in 2023/24: NIL

Amendments to the following standards are applicable in 2024/25 and Beyond:
- implementation of IFRS 17 Insurance contracts is expected to be adopted from April 2025 in the 25/26 FReM, with limited options for early adoption.
- implementation of IFRS 18 Presentation and Disclosure in Financial Statements, replacment for IAS 1. expected adoption is from 2027/28.

1.25 Cash and cash equivalents

Cash is defined as cash in hand and any deposits with any financial institution repayable on demand without penalty. Cash equivalents are investments that are short-term and are readily convertible to known amounts of cash with insignificant risk of change in value.

1.26 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had Foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).
However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.27 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board that makes strategic decisions.

1.28 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

2 **Operating Income (Group)**

	2023/24 £000	2022/23 £000
Income from patient care activities		
Income from commissioners under API contracts*	42,046	241,696
Services delivered under a mental health collaborative	288,938	55,643
Income for commissioning services in a mental health collaborative	239,038	76,383
Clinical income for the secondary commissioning of mandatory services	17,008	12,114
Other clinical income	1,025	-
Agenda for change pay award central ***	102	8,269
Additional pension contribution central funding **	9,762	8,926
Total income from patient care activities	597,919	403,031
Other operating income (Contract Income)		
Research and development	1,193	482
Education and training	15,991	15,439
Non-patient care services to other bodies	228	356
Other Income	11,859	9,250
Other operating income (Non-Contract Income)		
Charitable and other contributions to expenditure	64	157
Total other operating income	29,335	25,684
Total operating income	627,254	428,715

*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/

* 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 continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

** 'In March 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

2.1 **Income from patient care activities (by Source)**

	2023/24 £000	2022/23 £000
NHS England	187,149	178,521
Clinical commissioning groups	-	49,424
Integrated care boards	386,796	157,904
NHS Foundation Trusts	16,120	11,422
NHS Trusts	888	691
Local authorities	3,368	2,786
Non NHS: other	3,597	2,283
Total Income from patient care activities	**597,918**	**403,031**

2.2 **Income from activities arising from mandatory services**

	2023/24 £000	2022/23 £000
Income from activities arising from mandatory services	594,194	399,452
Income from activities arising from non-mandatory services	33,060	29,263
	627,254	428,715

2.3 **Commissioner requested services**

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2023/24 £000	2022/23 £000
Income from activities arising from commissioner requested services	597,918	403,031
Income from activities arising from non-commissioner requested services	29,335	25,684
	627,253	428,715

2.4 **Overseas visitors (relating to patients charged directly by the nhs foundation trust)**

	2023/24 £000	2022/23 £000
Income recognised this year	-	-
Cash payments received in year	-	-
Amounts added to provision for impairment of receivables	-	-
Amounts written off in year	-	-
Total overseas visitor income	-	-

3 Segmental analysis

The analysis by business segment is presented in accordance with IFRS 8 Operating segments, on the basis of those segments whose operating results are regularly reviewed by the Board (the Chief Operating Decision Maker as defined by IFRS 8) as follows:

Healthcare services as Provider

NHS Healthcare is the core activity of the Trust - the 'mandatory services requirement' as set out in the Trust's Terms of Authorisation issued by NHS Improvement and defined by legislation.

This activity is primarily the provision of NHS healthcare, either to patients and charged to the relevant NHS commissioning body, or where healthcare related services are provided to other organisations by contractual agreement.

Revenue from activities (medical treatment of patients) is analysed by type of activity in note 2 to the accounts.

Other operating income is analysed in note 2 to the accounts and materially consists of revenues from medical education and related support services to other organisations. Revenue is predominately from HM Government, Related party transactions are analysed in note 23.1 and 23.2 to the accounts, where individual customers within public sector are considered material.

The healthcare and related support services as described are all provided directly by the Trust, which is a public benefit corporation. These services have been aggregated into a single operating segment because they have similar economic characteristics: the nature of the services they offer are the same (the provision of healthcare), they have similar customers (public and private sector healthcare organisations) and have the same regulators (NHS Improvement and the Department of Health).

Healthcare services as Commissioner

Provider Collaborative Reach Out went live during the financial year 21/22. BSMHFT took full responsibility for commissioning budgets re Reach Out in October 2021.

Our involvement in Provider Collaboratives across the Midlands is based on what were formerly known as New Care Models (NCM) pilots. These pilots trialled new ways of working across mental health providers within local areas. The pilot sites provided specialised mental health services with the aim of reducing the number of people who were cared for out of area and creating the services their population needed through local re-investment. Due to their success, Provider collaboratives will be responsible for managing the budget and patient pathway for specialised mental health care for people who need it in their local area.

Provider Collaborative Birmingham and Solihull went live during the financial year 23/24. BSMHFT Took full responsibility for commissioning budgets re BSOL PC in April 2023.

Commercial trading - Summerhill Services Limited

The company Summerhill Services Limited is a wholly owned subsidiary of the Trust and currently leases 15 properties to the Trust. As a trading company, subject to additional legal and regulatory regime (over and above that of the Trust), this activity is considered to be a separate business segment whose individual operating results are reviewed by the Trust Board (the Chief Operating Decision Maker).

A significant proportion of the company's revenue is inter segment trading with the Foundation Trust which is eliminated upon the consolidation of these group accounts. The monthly performance report to the Chief Operating Decision maker reports financial summary information in the format of the table overleaf.

3 Segmental analysis (continued)

Year ended March 31 2024	Healthcare services as Provider	Healthcare services as Commissioner	Commercial trading	Inter-group eliminations		Total
				BSMHFT & PC Transactions	Inter-Company Transactions	
	£000	£000	£000	£000	£000	£000
Total segment revenue	390,115	394,827	29,418	(158,274)	(28,832)	627,254
Total segment expenditure	(385,314)	(394,592)	(27,014)	158,274	27,761	(620,885)
Operating surplus / (deficit)	4,801	235	2,404	-	(1,071)	6,369
Net financing cost	(9,846)	-	(2,464)	-	1,185	(11,125)
PDC dividend payable	-	-	-	-	-	-
Taxation	-	-	(228)	-	-	(228)
Retained surplus / (deficit) for the year	(5,045)	235	(288)	-	114	(4,984)
Reportable segment assets	308,670	69,682	92,620	-	-	470,972
Eliminations	-	-	-	-	(135,262)	(135,262)
Total Assets	308,670	69,682	92,620	-	(135,262)	335,710
Reportable segment liabilities	(254,629)	(69,197)	(69,425)	-	-	(393,251)
Eliminations	-	-	-	-	146,132	146,132
Total liabilities	(254,629)	(69,197)	(69,425)	-	146,132	(247,119)
Net assets / (liabilities)	54,041	485	23,195	-	10,870	88,591

Year ended March 31 2023	Healthcare services as Provider	Healthcare services as Commissioner	Commercial trading	Inter-group eliminations		Total
				BSMHFT & PC Transactions	Inter-Company Transactions	
	£000	£000	£000	£000	£000	£000
Total segment revenue	350,961	76,383	28,070	-	(26,699)	428,715
Total segment expenditure	(347,781)	(76,133)	(25,237)	-	29,180	(419,971)
Operating surplus / (deficit)	3,180	250	2,833	-	2,481	8,744
Net financing cost	(2,600)	-	(2,488)	-	379	(4,709)
PDC dividend payable	(1,386)	-	-	-	-	(1,386)
Taxation	-	-	(390)	-	-	(390)
Retained surplus / (deficit) for the year	(806)	250	(45)	-	2,860	2,259
Reportable segment assets	238,505	32,853	90,009	-	-	361,367
Eliminations	-	-	-	-	(57,784)	(57,784)
Total Assets	238,505	32,853	90,009	-	(57,784)	303,583
Reportable segment liabilities	(152,940)	(32,603)	(68,163)	-	-	(253,706)
Eliminations	-		-	-	64,481	64,481
Total liabilities	(152,940)	(32,603)	(68,163)	-	64,481	(189,225)
Net assets / (liabilities)	85,565	250	21,846	-	6,697	114,358

4	**Operating Costs**	2023/24 £000	2022/23 £000
	Services from NHS Foundation Trusts	10,880	4,750
	Services from NHS Trusts	403	534
	Services from other Non-NHS bodies	13,159	1
	Services from NHS Foundation Trusts - Mental Health Collaborative (Lead Provider)	81,859	28,938
	Services from NHS Trusts - Mental Health Collaborative (Lead Provider)	15,605	9,814
	Services from Non-NHS bodies - Mental Health Collaborative (Lead Provider)	137,148	36,054
	Employee expenses - executive directors	1,045	977
	Employee expenses - non-executive directors	202	171
	Employee expenses - staff	281,363	260,918
	Drug costs	7,246	6,400
	Supplies and services - clinical (excluding drug costs)	315	1,013
	Supplies and services - general	3,919	2,906
	Establishment	3,714	3,632
	Transport	2,112	2,224
	Premises	33,169	27,959
	Impairments / (Reversal of impairments) of property, plant and equipment	544	(2,249)
	Increase / (decrease) in bad debt provision	-	366
	Termination benefits	-	-
	Depreciation on property, plant and equipment	8,090	7,549
	Amortisation on intangible assets	1,699	2,360
	Statutory audit services	130	98
	Other auditors' remuneration	-	-
	Clinical negligence	1,018	927
	Loss on disposal of other property, plant and equipment	-	32
	Internal audit costs	132	133
	Consultancy costs	1,621	2,403
	Other	15,512	22,061
	Total operating costs	620,885	419,971

4.1	**Analysis of loss on disposal**	2023/24 £000	2022/23 £000
	Disposal of commissioner requested service assets	-	-
	Disposal of non-commissioner requested service assets	-	32
	Total loss on disposal	-	32

The loss on disposal recorded in 2022/23 was due to sale of Ross House.

4 **Operating costs (continued)**

4.2 **External Auditors' remuneration**

The Council of Governors appointed Forvis Mazars LLP as external auditors of the Trust. The audit fee for the year ended 31 March 2024 was £98.4k (2022/23: £67.0k) for the Trust's annual report and accounts and £31.6k (2022/23: £25.0k) for Summerhill Services Limited, totalling £129.9k (£92.0k for the year ended 31 March 2023) Inclusive of VAT.

4.3 **Other audit remuneration**

	2023/24 £000	2022/23 £000
Other auditor remuneration paid to the external auditors :		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. all assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total audit remuneration	-	-

5

Directors remuneration	2023/24 £000	2022/23 £000
Short-term benefits :		
Salary	855	807
Taxable benefits	125	117
Performance related bonuses	-	-
Employer's pension contributions	65	53
Post-employment benefits :	-	-
Other long-term benefits :	-	-
Termination benefits :	-	-
Share-based payment :	-	-
Total directors remuneration	1,045	977

The medical director was paid 83k during the year ended March 31 2024 (£61k during year ended March 31 2023), which is not included in the above disclosure, for non-director responsibilities.

Further details of directors' remuneration can be found in the remuneration report.

6

Employee expenses (including executive directors but excluding non-executive directors)	2023/24 £000	2022/23 £000
Salaries and wages	214,960	200,667
Social security costs	23,414	21,677
Employers contribution to NHS pensions	22,969	20,930
Employers contribution to NHS pensions paid by NHSE on Provider's Behalf (6.3%)	9,762	8,926
Apprenticeship Levy	1,028	953
Termination benefits (see note 4 and 4.1)	-	1
Agency / contract staff	10,275	8,741
Total recognised in operating expenses	282,408	261,895

6.1

Average number of employees (WTE basis)	2023/24 Number	2022/23 Number
Medical	269	247
Administration and estates	875	813
Healthcare assistants and other support staff	887	816
Nursing and health visiting staff	1,255	1,216
Scientific, therapeutic and technical staff	845	781
Healthcare science staff	3	3
Other	11	19
Total Average	4,145	3,895

6 **Employee expenses (continued)**

6.2 **Early retirements due to ill health**

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. The information has been supplied by NHS Pensions and these costs are not borne by the Foundation Trust.

	2023/24 £000	2023/24 Number	2022/23 £000	2022/23 Number
No. of early retirements on the grounds of ill health		6		4
Value of early retirements on the grounds of ill health	472		300	

6.3 **Staff exit packages - 2023/24**

Exit package cost band	No. of compulsory redundancies No.	Cost of compulsory redundancies £s	No. of other agreed departures No.	Cost of other departures agreed £s	Total no. of exit packages No.	Total cost of exit packages £s	No. of departures where special payments have been made No.	Cost of special payment element included in exit packages £s
Less than £10,000					-	-		
£10,000 - £25,000	-	-	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
> £200,000	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

6.4 **Staff exit packages - 2022/23**

Exit package cost band	No. of compulsory redundancies No.	Cost of compulsory redundancies £s	No. of other agreed departures No.	Cost of other departures agreed £s	Total no. of exit packages No.	Total cost of exit packages £s	No. of departures where special payments have been made No.	Cost of special payment element included in exit packages £s
Less than £10,000	-	-	1	500	1	500	1	500
£10,000 - £25,000	-	-	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
> £200,000	-	-	-	-	-	-	-	-
Total	-	-	1	500	1	500	1	500

6.5 **Exit packages: other (non-compulsory) departure payments**

	2023/24 Agreements No.	2023/24 Total Value of Agreements £s	2022/23 Agreements No.	2022/23 Total Value of Agreements £s
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval			1	500
Total	-	-	1	500

7 **Finance Income**

	2023/24 £000	2022/23 £000
Interest on deposits / investments	4,228	1,289

8 **Finance costs**

	2023/24 £000	2022/23 £000
Loans from the foundation trust financing facility	1,060	1,146
Interest on lease obligations	86	79
Finance costs in PFI obligations :		
Main finance costs	4,109	2,322
Remeasurement of PFI / other service concession liability resulting from change in index or rate	10,098	-
Contingent finance costs	-	2,451
Total finance costs	15,353	5,998

9 Intangible assets

9.1

Group and Trust Intangible assets for year ended March 31 2024	Total	Software licences (purchased)	IT (Internally generated and 3rd Party)	Development expenditure (internally generated)
	£000	£000	£000	£000
Gross cost at April 1 2023 - as previously stated	15,790	12,873	1,109	1,808
Reclassifications	500	500	-	-
Cost or valuation at March 31 2024	16,290	13,373	1,109	1,808
Amortisation at April 1 2023 - as previously stated	11,469	8,946	943	1,580
Provided during the year	1,699	1,409	112	178
Amortisation at March 31 2024	13,168	10,355	1,055	1,758
NBV - Purchased at April 1 2023	4,321	3,927	166	228
Total NBV at April 1 2023	4,321	3,927	166	228
NBV - Purchased at March 31 2024	3,122	3,018	54	50
Total NBV at March 31 2024	3,122	3,018	54	50

9.2

Group and Trust Intangible assets for year ended March 31 2023	Total	Software licences (purchased)	IT (Internally generated and 3rd Party)	Development expenditure (internally generated)
	£000	£000	£000	£000
Gross cost at April 1 2022 - as previously stated	15,790	12,873	1,109	1,808
Cost or valuation at March 31 2023	15,790	12,873	1,109	1,808
Amortisation at April 1 2022 - as previously stated	9,108	7,098	720	1,290
Provided during the year	2,361	1,848	223	290
Amortisation at March 31 2023	11,469	8,946	943	1,580
NBV - Purchased at April 1 2022	6,682	5,775	389	518
Total NBV at April 1 2022	6,682	5,775	389	518
NBV - Purchased at March 31 2023	4,321	3,927	166	228
Total NBV at March 31 2023	4,321	3,927	166	228

10 Property plant and equipment

10.1 **Group property, plant and equipment for year ended March 31 2024**

	Total	Land	Buildings excl dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at April 1 2023 - as previously stated	224,384	21,806	174,139	86	2,868	11	12,510	12,964
Additions - purchased	10,455	-	1,354	9,101	-	-	-	-
Impairments charged to operating expenses	(556)	(556)	-	-	-	-	-	-
Impairments charged to the revaluation reserve	(496)	(496)	-	-	-	-	-	-
Reversal of impairments credited to operating expenses	12	-	12	-	-	-	-	-
Revaluations credited to the revaluation reserve	6,786	-	6,786	-	-	-	-	-
Reclassifications	(500)	-	6,557	(9,187)	183	-	1,947	-
Transfers from accumulated depreciation*	(5,071)	-	(5,071)	-	-	-	-	-
Cost or valuation at March 31 2024	235,014	20,754	183,777	-	3,051	11	14,457	12,964
Accumulated depreciation at April 1 2023 - as previously stated	23,740	-	645	-	2,688	11	7,487	12,909
Provided during the year	6,994	-	5,161	-	60	-	1,733	40
Transferred to cost or valuation*	(5,071)	-	(5,071)	-	-	-	-	-
Accumulated depreciation at March 31 2024	25,663	-	735	-	2,748	11	9,220	12,949
NBV - Purchased at April 1 2023	200,644	21,806	173,494	86	180	-	5,023	55
Total NBV at April 1 2023	200,644	21,806	173,494	86	180	-	5,023	55
NBV - Purchased at March 31 2024	209,351	20,754	183,042	-	303	-	5,237	15
Total NBV at March 31 2024	209,351	20,754	183,042	-	303	-	5,237	15

*These lines represent the elimination of accumulated depreciation against the carrying value of assets which have been revalued in the year in accordance with IAS 16 - Property, Plant and Equipment.

The net book value of assets held under PFI arrangements is £46,846k at March 31 2024 (£44,755k at March 31 2023). Depreciation of £1,257k was charged on these assets in the year (£1,172k during the year ended March 31 2023).

The impairment gains and loss recognised in the accounts arose due to movement in market prices.

10 **Property plant and equipment (continued)**

10.2

Trust property, plant and equipment for year ended March 31 2024	Total	Land	Buildings excl dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at April 1 2023 - as previously stated	96,290	11,027	68,011	-	1,966	-	12,409	2,877
Additions - purchased	6,794	-	1,354	5,440	-	-	-	-
Impairments charged to operating expenses	(517)	(517)	-	-	-	-	-	-
Impairments charged to the revaluation reserve	(10)	(10)	-	-	-	-	-	-
Reversal of impairments credited to operating expenses	73	-	73	-	-	-	-	-
Revaluations credited to the revaluation reserve	993	-	993	-	-	-	-	-
Reclassifications	(500)	-	2,810	(5,440)	183	-	1,947	-
Transfers from accumulated depreciation*	(2,023)	-	(2,023)	-	-	-	-	-
Cost or valuation at March 31 2024	101,100	10,500	71,218	-	2,149	-	14,356	2,877
Accumulated depreciation at April 1 2023 - as previously stated	12,770	-	645	-	1,790	-	7,487	2,848
Provided during the year	3,898	-	2,113	-	58	-	1,713	14
Transferred to cost or valuation*	(2,023)	-	(2,023)	-	-	-	-	-
Accumulated depreciation at March 31 2024	14,645	-	735	-	1,848	-	9,200	2,862
NBV - Purchased at April 1 2023	83,520	11,027	67,366	-	176	-	4,922	29
Total NBV at April 1 2023	83,520	11,027	67,366	-	176	-	4,922	29
NBV - Purchased at March 31 2024	86,455	10,500	70,483	-	301	-	5,156	15
Total NBV at March 31 2024	86,455	10,500	70,483	-	301	-	5,156	15

*These lines represent the elimination of accumulated depreciation against the carrying value of assets which have been revalued in the year in accordance with IAS 16 - Property, Plant and Equipment.

The net book value of assets held under PFI arrangements is £46,846k at March 31 2024 (£44,755k at March 31 2023). Depreciation of £1,257k was charged on these assets in the year (£1,172k during the year ended March 31 2023).

The impairment gains and loss recognised in the accounts arose due to movement in market prices.

10 **Property plant and equipment (continued)**

10.3

Group property, plant and equipment for year ended March 31 2023	Total	Land	Buildings excl dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at April 1 2022 - as previously stated	212,110	20,762	164,103	-	2,868	11	11,402	12,964
Additions - purchased	9,998	-	1,208	8,790	-	-	-	-
Reversal of impairments credited to operating expenses	2,249	556	1,693	-	-	-	-	-
Reversal of impairments credited to the revaluation reserve	4,937	488	4,449	-	-	-	-	-
Reclassifications	-	-	7,596	(8,704)	-	-	1,108	-
Transfers from accumulated depreciation*	(4,469)	-	(4,469)	-	-	-	-	-
Disposals	(441)	-	(441)	-	-	-	-	-
Cost or valuation at March 31 2023	224,384	21,806	174,139	86	2,868	11	12,510	12,964
Accumulated depreciation at April 1 2022 - as previously stated	21,754	-	577	-	2,626	11	5,850	12,690
Provided during the year	6,455	-	4,537	-	62	-	1,637	219
Transferred to cost or valuation*	(4,469)	-	(4,469)	-	-	-	-	-
Accumulated depreciation at March 31 2023	23,740	-	645	-	2,688	11	7,487	12,909
NBV - Purchased at April 1 2022	190,356	20,762	163,526	-	242	-	5,552	274
Total NBV at April 1 2022	190,356	20,762	163,526	-	242	-	5,552	274
NBV - Purchased at March 31 2023	200,644	21,806	173,494	86	180	-	5,023	55
Total NBV at March 31 2023	200,644	21,806	173,494	86	180	-	5,023	55

*These lines represent the elimination of accumulated depreciation against the carrying value of assets which have been revalued in the year in accordance with IAS 16 - Property, Plant and Equipment.

The net book value of assets held under PFI arrangements is £44,755k at March 31 2023 (£42,899k at March 31 2022). Depreciation of £1,172k was charged on these assets in the year (£1,118k during the year ended March 31 2022).

The impairment gains and loss recognised in the accounts arose due to movement in market prices.

10 **Property plant and equipment (continued)**

10.4

Trust property, plant and equipment for year ended March 31 2023	Total	Land	Buildings excl dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at April 1 2022 - as previously stated	91,006	10,500	64,261	-	1,966	-	11,402	2,877
Additions - purchased	6,296	-	1,208	5,088	-	-	-	-
Impairments charged to operating expenses	(620)	-	(620)	-	-	-	-	-
Reversal of impairments credited to the revaluation reserve	1,364	10	1,354	-	-	-	-	-
Reversal of impairments credited to operating expenses	517	517	-	-	-	-	-	-
Reclassifications	-	-	4,081	(5,088)	-	-	1,007	-
Transfers from accumulated depreciation*	(1,832)	-	(1,832)	-	-	-	-	-
Disposals	(441)	-	(441)	-	-	-	-	-
Cost or valuation at March 31 2023	96,290	11,027	68,011	-	1,966	-	12,409	2,877
Accumulated depreciation at April 1 2022 - as previously stated	10,953	-	577	-	1,740	-	5,850	2,786
Provided during the year	3,649	-	1,900	-	50		1,637	62
Transferred to cost or valuation*	(1,832)	-	(1,832)	-	-	-	-	-
Accumulated depreciation at March 31 2023	12,770	-	645	-	1,790	-	7,487	2,848
NBV - Purchased at April 1 2022	80,053	10,500	63,684	-	226	-	5,552	91
Total NBV at April 1 2022	80,053	10,500	63,684	-	226	-	5,552	91
NBV - Purchased at March 31 2023	83,520	11,027	67,366	-	176	-	4,922	29
Total NBV at March 31 2023	83,520	11,027	67,366	-	176	-	4,922	29

*These lines represent the elimination of accumulated depreciation against the carrying value of assets which have been revalued in the year in accordance with IAS 16 - Property, Plant and Equipment.

The net book value of assets held under PFI arrangements is £44,755k at March 31 2023 (£42,899k at March 31 2022). Depreciation of £1,172k was charged on these assets in the year (£1,118k during the year ended March 31 2022).

The impairment gains and loss recognised in the accounts arose due to movement in market prices.

10 **Property plant and equipment (continued)**

10.5 **Economic life of property, plant and equipment**

	Min Life Years	Max Life Years
Land	-	-
Buildings excluding dwellings	5	47
Assets under construction	-	-
Plant and machinery	1	5
Transport equipment	-	-
Information technology	1	5
Furniture and fittings	1	5
Intangible Assets	1	5

The numbers stated above relate to remaining useful economic life of group assets.

10.6 **Valuations**

Valuations are carried out by professionally qualified, independent valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Fair values were determined based on estimates. The impairment gains and loss recognised in the accounts arose due to movement in market prices.

11 **Leases - Birmingham and Solihull Mental Health NHS Foundation Trust as a Lessee**

This note details information about leases for which the Trust is a lessee.

The Foundation Trust has a number of leasing arrangements for the use of land and buildings, vehicles and equipment. The leases for land and building range from 5 to 99 year terms. The leases for vehicles and equipment range from 1 to 5 years.

The Foundation Trust's most significant lease arrangement is for the lease of the Foundation Trust Headquarters. This is a 25 year lease expiring in 2030. The lease agreement does not contain provision for contingent rentals and does not impose any restrictions on the Trust. The lease has options for early termination, with penalty, in year 20 of the lease.

The Tamarind Centre, the Ardenleigh site, the Juniper Centre, Reaside Clinic and the John Black Centre (Maple Leaf Drive) which are owned by Summerhill Services Limited, a wholly owned subsidiary of the Foundation Trust, are being leased to the Foundation Trust on 20 year leases expiring in 2043.

The ROU assets are all held under the cost method as they meet the requirements under IFRS16, Regarding term and relevant rent reviews. Apart from one which is held under the revaluation method as it falls into the peppercorn lease catergorisation.

11 **Leases (Continued)**

11.1

Group right of use assets for year ended March 31 2024	Total	Property (land and buildings)	Transport equipment	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Cost or valuation at April 1 2023 - Brought Forward	10,354	10,133	221	875
Revaluations	21	21	-	-
Cost or valuation at March 31 2024	10,375	10,154	221	875
Accumulated depreciation at April 1 2023 - Brought Forward	1,094	940	154	36
Provided during the year - right of use asset	1,091	1,046	45	68
Provided during the year - peppercorn leased asset	5	5	-	-
Accumulated depreciation at March 31 2023	2,190	1,991	199	104
Total NBV at April 1 2023	9,260	9,193	67	839
Total NBV at March 31 2024	8,185	8,163	22	771

11 **Leases (Continued)**

11.2 **Group right of use assets for year ended March 31 2023**

	Total	Property (land and buildings)	Transport equipment	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
IFRS 16 implementation - adjustments for existing operating leases / subleases	7,900	7,679	221	73
Additions - Lease Liability	2,435	2,435	-	802
Additions - Initial direct costs of obtaining a lease	15	15	-	-
Reversal of impairments	4	4	-	-
Cost or valuation at March 31 2023	10,354	10,133	221	875
Provided during the year - right of use asset	1,089	935	154	36
Provided during the year - peppercorn leased asset	5	5	-	-
Accumulated depreciation at March 31 2023	1,094	940	154	36
Total NBV at March 31 2023	9,260	9,193	67	839

11 **Leases (Continued)**

11.3

Trust right of use assets for year ended March 31 2024	Total	Property (land and buildings)	Transport equipment	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Cost or valuation at April 1 2023 - Brought Forward	99,294	99,073	221	875
Revaluations	21	21	-	-
Cost or valuation at March 31 2024	99,315	99,094	221	875
Accumulated depreciation at April 1 2023 - Brought Forward	5,895	5,741	154	36
Provided during the year - right of use asset	5,815	5,770	45	68
Provided during the year - peppercorn leased asset	5	5	-	-
Accumulated depreciation at March 31 2024	11,715	11,516	199	104
Total NBV at April 1 2023	93,399	93,332	67	839
Total NBV at March 31 2024	87,600	87,578	22	771

11 **Leases (Continued)**

11.4 **Trust right of use assets for year ended March 31 2023**

	Total	Property (land and buildings)	Transport equipment	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
IFRS 16 implementation - adjustments for existing operating leases / subleases	98,488	98,267	221	73
Additions - Lease Liability	802	802	-	802
Reversal of impairments	4	4	-	-
Cost or valuation at March 31 2023	99,294	99,073	221	875
Provided during the year - right of use asset	5,890	5,736	154	36
Provided during the year - peppercorn leased asset	5	5	-	-
Accumulated depreciation at March 31 2023	5,895	5,741	154	36
Total NBV at March 31 2023	93,399	93,332	67	839

11 **Leases (Continued)**

11.3 **Reconciliation of the carrying value of lease liabilities**

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 17.

	Group March 31 2024 £000	Group March 31 2023 £000	Trust March 31 2024 £000	Trust March 31 2023 £000
Carrying value at 1 April	9,002	-	93,543	-
IFRS 16 implementation - adjustments for existing operating leases	-	7,623	-	98,211
Lease additions	-	2,436	-	802
Interest charge arising in year	86	79	888	936
Lease payments (cash outflows)	(1,147)	(1,136)	(6,332)	(6,406)
Carrying value at 31 March	7,941	9,002	88,099	93,543

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure. These payments are disclosed in Note 4. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

11.4 **Maturity analysis of future lease payments at 31 March 2024**	Group Total March 31 2024 £000	Group Of which leased from DHSC group bodies: March 31 2024 £000	Trust Total March 31 2024 £000	Trust Of which leased from DHSC group bodies: March 31 2024 £000
Undiscounted future lease payments payable in:				
- not later than one year;	1,135	73	5,761	73
- later than one year and not later than five years;	4,161	230	17,370	230
- later than five years.	3,059	537	73,516	537
Total gross future lease payments	8,355	840	96,647	840
Finance charges allocated to future periods	(414)	(64)	(8,548)	(64)
Net lease liabilities at 31 March 2024	7,941	776	88,099	776

11.5 **Maturity analysis of future lease payments at 31 March 2023**	Group Total March 31 2023 £000	Group Of which leased from DHSC group bodies: March 31 2023 £000	Trust Total March 31 2023 £000	Trust Of which leased from DHSC group bodies: March 31 2023 £000
Undiscounted future lease payments payable in:				
- not later than one year;	1,147	73	6,333	73
- later than one year and not later than five years;	4,244	245	17,636	245
- later than five years.	4,078	590	78,979	590
Total gross future lease payments	9,469	908	102,948	908
Finance charges allocated to future periods	(467)	(67)	(9,405)	(67)
Net lease liabilities at 31 March 2023	9,002	841	93,543	841

12 **Inventories**

	Group		Trust	
	March 31 2024	March 31 2023	March 31 2024	March 31 2023
	£000	£000	£000	£000
Drugs	365	620	230	247
Consumables	36	1	36	1
Total Inventories	401	621	266	248

12.1 **Inventories recognised in expenses**

	March 31 2024	March 31 2023
	£000	£000
Inventories recognised in expenses	7,233	6,454
Write-down of inventories recognised as an expense	13	103
Reversals of any write down of inventories	-	-
Total inventories recognised in expenses	7,246	6,557

13 **Subsidiary investment**

	Group		Trust	
	March 31 2024	March 31 2023	March 31 2024	March 31 2023
	£000	£000	£000	£000
Shares in group undertakings	-	-	29,486	27,849
Total Subsidiary investment	-	-	29,486	27,849

The Trust's principal subsidiary undertaking as included in the consolidation as at the reporting date is set out below. The reporting date of the accounts for the subsidiary is the same as for these group accounts - March 31 2024.

Summerhill Services Limited
The company is registered in the UK, company number 08015667. The company commenced trading on December 1 2012 and is a wholly owned subsidiary of Birmingham and Solihull Mental Health NHS Foundation Trust with share capital of £29,485,778 (2022/23: £27,849,263). The current purpose of the company is two fold (1) to provide a managed lease service to the Trust for (a) owned properties such as Tamarind Centre, Ardenleigh Site, Juniper Centre, Reaside Clinic and the John Black Centre (Maple Leaf Drive). (b) a further 10 properties on a lease and leaseback arrangement. (2) to provide a outpatient dispensing service to the Trust which commenced in September 2013. The company decided to change its name from Summerhill Supplies Limited to Summerhill Services Limited on 28th September 2018.

14	**Trade and other receivables - Group**	Total March 31 2024 £000	Financial assets March 31 2024 £000	Non-financial assets March 31 2024 £000	Total March 31 2023 £000	Financial assets March 31 2023 £000	Non-financial assets March 31 2023 £000
	Current						
	Contract Receivable	8,358	8,358	-	22,528	22,528	-
	Provision for Impaired Contract Receivables	(221)	(221)	-	(579)	(579)	-
	Prepayments	10,958	-	10,958	3,073	-	3,073
	PDC receivable	224	-	224	538	-	538
	VAT Receivable	1,040	-	1,040	1,877	-	1,877
	Other receivables	815	815	-	751	751	-
	Total current trade and other receivables	21,174	8,952	12,222	28,188	22,700	5,488
	Non-current						
	Prepayments - Lifecycle replacement	1,213	-	1,213	1,309	-	1,309
	Clinician pension tax provision	179	179	-	220	220	-
	Total non-current trade and other receivables	1,392	179	1,213	1,529	220	1,309

14.1	**Trade and other receivables - Trust**	Total March 31 2024 £000	Financial assets March 31 2024 £000	Non-financial assets March 31 2024 £000	Total March 31 2023 £000	Financial assets March 31 2023 £000	Non-financial assets March 31 2023 £000
	Current						
	Contract Receivable	8,027	8,027	-	22,288	22,288	-
	Provision for Impaired Contract Receivables	(221)	(221)	-	(579)	(579)	-
	Prepayments	10,310	-	10,310	3,003	-	3,003
	PDC receivable	224	-	224	538	-	538
	VAT Receivable	1,040	-	1,040	1,877	-	1,877
	Other receivables	814	814	-	751	751	-
	Finance Lease Receivable**	308	308	-	308	308	-
	Loan assets*	2,425	2,425	-	2,300	2,300	-
	Total current trade and other receivables	22,927	11,353	11,574	30,486	25,068	5,418
	Non-current						
	Prepayments - Lifecycle replacement	1,213	-	1,213	1,309	-	1,309
	Clinician pension tax provision	179	179	-	220	220	-
	Finance Lease Receivable**	10,786	10,786	-	11,094	11,094	-
	Loan assets*	49,301	49,301	-	47,970	47,970	-
	Total non-current trade and other receivables	61,479	60,266	1,213	60,593	59,284	1,309

*Loan assets are comprised solely of loans made to the 100% owned subsidiary Summerhill Services Limited. The term of these loans is 25 years.

** Finance Lease Receivable relates wholly to the 10 properties leased to subsidiary as detailed in Note 13.

14 Trade and other receivables (continued)

14.2 **Provision for impairment of receivables 2023/24 - group and trust**

	2023/24 £000 Contract Receivables and Contract Assets	2023/24 £000 All Other Receivables
Provision as at April 1 2023 - Bought Forward	579	-
New Provision amounts arising	-	-
Utilisation of Provision (where receivable is written off)	(358)	-
Provision as at March 31 2024	221	-

14.2 **Provision for impairment of receivables 2022/23 - group and trust**

	2022/23 £000 Contract Receivables and Contract Assets	2022/23 £000 All Other Receivables
Provision as at April 1 2022 - Bought Forward	250	-
New Provision amounts arising	366	-
Utilisation of Provision (where receivable is written off)	(37)	-
Provision as at March 31 2023	579	-

14.3 **Analysis of impaired receivables - group and trust**

	March 31 2024 £000	March 31 2023 £000
Ageing of impaired receivables:		
0-30 Days	-	35
31-60 Days	-	17
61-90 Days	-	-
Over 90 Days	221	527
Total impaired receivables	221	579

14.4 **Ageing of non-impaired receivables - group**

	March 31 2024 £000	March 31 2023 £000
Ageing of non-Impaired Receivables		
0-30 Days	1,820	2,235
31-60 Days	2,163	1,283
61-90 Days	516	93
Over 90 Days	2,026	595
Total non-impaired receivables	6,525	4,206

14.5 **Ageing of non-impaired receivables - trust**

	March 31 2024 £000	March 31 2023 £000
Ageing of non-Impaired Receivables		
0-30 Days	1,632	2,235
31-60 Days	2,094	1,283
61-90 Days	515	93
Over 90 Days	1,929	595
Total non-impaired receivables	6,170	4,206

15	**Trade and other payables - Group**	Total March 31 2024 £000	Financial liabilities March 31 2024 £000	Non-financial liabilities March 31 2024 £000	Total March 31 2023 £000	Financial liabilities March 31 2023 £000	Non-financial liabilities March 31 2023 £000
	Current						
	Trade payables	32,690	32,690	-	14,274	14,274	-
	Trade payables - capital	1,312	1,312	-	765	765	-
	Social security and taxes payable	6,023	-	6,023	5,187	-	5,187
	Pension contributions payable	3,301	3,301	-	2,910	2,910	-
	Other payables	879	879	-	525	525	-
	Accruals	38,001	36,285	1,716	35,517	35,517	-
	Total current trade and other payables	82,206	74,467	7,739	59,178	53,991	5,187

Trade Payables above includes £8,127k relating to business with NHS and Other WGA Bodies at March 31 2024 (£8,388k at March 31 2023). The remaining £24,562k relates to business with bodies external to government at March 31 2024 (£5,886k at March 31 2023).

Pension Contributions above includes £3,301k at March 31 2024 in respect of outstanding Employer Pension Contributions (£1,742k at March 2023).

15.1	**Trade and other payables - Trust**	Total March 31 2024 £000	Financial liabilities March 31 2024 £000	Non-financial liabilities March 31 2024 £000	Total March 31 2023 £000	Financial liabilities March 31 2023 £000	Non-financial liabilities March 31 2023 £000
	Current						
	Trade payables	30,022	30,022	-	11,472	11,472	-
	Trade payables - capital	1,361	1,361	-	1,953	1,953	-
	Social security and taxes payable	5,803	-	5,803	4,995	-	4,995
	Pension contributions payable	3,236	3,236	-	2,841	2,841	-
	Other payables	728	728	-	381	381	-
	Accruals	37,604	37,604	-	35,581	35,581	-
	Total current trade and other payables	78,754	72,951	5,803	57,223	52,228	4,995

Trade Payables above includes £8,127k relating to business with NHS and Other WGA Bodies at March 31 2024 (£8,388k at March 31 2023). The remaining £21,895k relates to business with bodies external to government at March 31 2024 (£3,084k at March 31 2023).

Pension Contributions above includes £3,236k at March 31 2024 in respect of outstanding Employer Pension Contributions (£1,698k at March 2023).

16	**Other Liabilities - Group**	March 31 2024 £000	March 31 2023 £000
	Current		
	Deferred Income	45,225	40,410
	Total current other Liabilities	45,225	40,410
	Non-current		
	Deferred Tax Liability	142	123
	Total non-current other Liabilities	142	123

16.1	**Other Liabilities - Trust**	March 31 2024 £000	March 31 2023 £000
	Current		
	Deferred Income	45,225	40,410
	Deferred gain on disposal	-	-
	Total current other Liabilities	45,225	40,410
	Non-current		
	Deferred gain on disposal	-	-
	Total non-current other Liabilities	-	-

17	**Borrowings - Group**	March 31 2024 £000	March 31 2023 £000
	Current		
	Loans from foundation trust financing facility	2,600	2,630
	Lease liabilities	1,135	1,147
	Obligations under private finance initiative contracts	3,563	1,893
	Total current borrowings	7,298	5,670
	Non-current		
	Loans from foundation trust financing facility	22,958	25,141
	Lease liabilities	6,806	7,855
	Obligations under private finance initiative contracts	78,315	45,686
	Total Non-current borrowings	108,079	78,682

17.1	**Borrowings - Trust**	March 31 2024 £000	March 31 2023 £000
	Current		
	Loans from foundation trust financing facility	2,600	2,630
	Lease liabilities	5,761	6,332
	Obligations under private finance initiative contracts	3,563	1,893
	Loans from Subsidiary Company	-	-
	Total current borrowings	11,924	10,855
	Non-current		
	Loans from foundation trust financing facility	22,958	25,141
	Lease liabilities	82,338	87,211
	Obligations under private finance initiative contracts	78,316	45,686
	Total Non-current borrowings	183,612	158,038

17.2	**Reconciliation of liabilities arising from financing activities - Group**	Total £000	DHSC Loans £000	Other Loans £000	Leases £000	PFI Schemes £000
	Carrying Value at April 1 2023	84,352	27,770	-	9,002	47,580
	Cash Movements:					
	Financing cash flows - principal	(6,636)	(2,183)	-	(1,061)	(3,392)
	Financing cash flows - interest	(5,287)	(1,091)	-	(86)	(4,110)
	Non-Cash Movements:					
	Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	27,593	-	-	-	27,593
	Additions	-	-	-	-	-
	Remeasurement of PFI / other service concession liability resulting from change in index or rate (taken to financing costs)	10,098	-	-	-	10,098
	Interest charge arising in year (application of effective interest rate)	5,255	1,060	-	86	4,109
	Carrying Value at March 31 2024	115,375	25,556	-	7,941	81,878

17.3	**Reconciliation of liabilities arising from financing activities - Group**	Total £000	DHSC Loans £000	Other Loans £000	Leases £000	PFI Schemes £000
	Carrying Value at April 1 2022	79,306	29,992	-	-	49,314
	Cash Movements:					
	Financing cash flows - principal	(4,974)	(2,183)	-	(1,057)	(1,734)
	Financing cash flows - interest	(3,586)	(1,185)	-	(79)	(2,322)
	Non-Cash Movements:					
	Impact of implementing IFRS 16 on 1 April 2022	7,623	-	-	7,623	-
	Additions	2,436	-	-	2,436	-
	Interest charge arising in year (application of effective interest rate)	3,547	1,146	-	79	2,322
	Carrying Value at March 31 2023	84,352	27,770	-	9,002	47,580

17.4	**Reconciliation of liabilities arising from financing activities - Trust**	Total £000	DHSC Loans £000	Other Loans £000	Leases £000	PFI Schemes £000
	Carrying Value at April 1 2023	168,893	27,770	-	93,543	47,580
	Cash Movements:					
	Financing cash flows - principal	(11,019)	(2,183)	-	(5,444)	(3,392)
	Financing cash flows - interest	(6,090)	(1,091)	-	(889)	(4,110)
	Non-Cash Movements:					
	Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	27,593	-	-	-	27,593
	Additions	-	-	-	-	-
	Remeasurement of PFI / other service concession liability resulting from change in index or rate (taken to financing costs)	10,098	-	-		10,098
	Interest charge arising in year (application of effective interest rate)	6,058	1,060	-	889	4,109
	Carrying Value at March 31 2024	195,533	25,556	-	88,099	81,878

17.5	**Reconciliation of liabilities arising from financing activities - Trust**	Total £000	DHSC Loans £000	Other Loans £000	Leases £000	PFI Schemes £000
	Carrying Value at April 1 2022	79,306	29,992	-	-	49,314
	Cash Movements:					
	Financing cash flows - principal	(9,387)	(2,183)	-	(5,470)	(1,734)
	Financing cash flows - interest	(4,443)	(1,185)	-	(936)	(2,322)
	Non-Cash Movements:					
	Impact of implementing IFRS 16 on 1 April 2022	98,211	-	-	98,211	-
	Additions	802	-	-	802	-
	Interest charge arising in year (application of effective interest rate)	4,404	1,146	-	936	2,322
	Carrying Value at March 31 2023	168,893	27,770	-	93,543	47,580

18	**PFI obligations (on SOFP) - group and trust**	March 31 2024 £000	March 31 2023 £000
	Gross PFI liabilities of which liabilities are due:		
	- Not later than one year;	7,505	4,131
	- Later than one year and not later than five years;	24,625	14,066
	- Later than five years.	93,347	55,748
	Finance charges allocated to future periods	(43,597)	(26,365)
	Net PFI liabilites	81,880	47,580
	- Not later than one year;	3,563	1,893
	- Later than one year and not later than five years;	10,349	5,973
	- Later than five years.	67,968	39,714
	Total PFI obligations	81,880	47,580

18.1	**PFI total commitments (on SOFP) - group and trust**	March 31 2024 £000	March 31 2023 £000
	- Not later than one year;	14,382	14,382
	- Later than one year and not later than five years;	57,527	57,527
	- Later than five years.	206,963	221,345
	Total commitments in respect of the PFI	278,872	293,254
	- Not later than one year;	13,676	13,676
	- Later than one year and not later than five years;	48,383	48,383
	- Later than five years.	118,810	124,386
	Total present value of commitments	180,869	186,445
	Comparatives have been updated to make figures consistent with current year IFRS16 modelling.		

18.2	**PFI service commitments (on SOFP) - group and trust**	March 31 2024 £000	March 31 2023 £000
	Charge in respect of the service element of the PFI for the period	5,437	4,532
	Commitments in respect of the service element of the PFI:		
	- Not later than one year;	5,196	5,176
	- Later than one year and not later than five years;	18,645	18,561
	- Later than five years.	49,590	51,667
		73,431	75,404

18.3 **Impact of change in accounting policy for on-SoFP PFI liabilities**

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

18.4 **Impact of change in accounting policy on the allocation of unitary payment**

	IFRS 16 basis (new basis) 2023/24 £000	IAS 17 basis (old basis) 2023/24 £000	Impact of change 2023/24 £000
Unitary payment payable to service concession operator	14,382	14,382	-
Consisting of:			
- Interest charge	4,109	2,237	1,872
- Repayment of balance sheet obligation	3,392	1,893	1,499
- Service element	5,437	5,437	-
- Lifecycle maintenance	1,444	1,444	-
- Contingent rent	-	3,371	(3,371)
- Addition to lifecycle prepayment - capital	-	-	-

18.5 **Impact of change in accounting policy on primary statements**

Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:	£000
Increase in PFI / LIFT and other service concession liabilities	(36,193)
Decrease in PDC dividend payable / increase in PDC dividend receivable	1,494
Increase in cash and cash equivalents (impact of PDC dividend only)	-
Impact on net assets as at 31 March 2024	(34,699)
Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:	£000
PFI liability remeasurement charged to finance costs	(10,099)
Increase in interest arising on PFI liability	(1,872)
Reduction in contingent rent	3,371
Reduction in PDC dividend charge	1,494
Net impact on surplus / (deficit)	(7,106)
Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:	£000
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(27,593)
Net impact on 2023/24 surplus / deficit	(7,106)
Impact on equity as at 31 March 2024	(34,699)
Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	£000
Increase in cash outflows for capital element of PFI / LIFT	(1,499)
Decrease in cash outflows for financing element of PFI / LIFT	1,499
Decrease in cash outflows for PDC dividend	-
Net impact on cash flows from financing activities	-

18.4 **PFI contract details**

The Foundation Trust has entered into two PFI contracts:

PFI 1 - Northern PFI Scheme

This is a 35 year contract with Healthcare Support (Erdington) Limited which commenced in April 2002 and is for the provision of six buildings including "hard" facility management services. The service provision is implicitly for the patients, staff and visitors of the Trust. This contract has been treated as being on-statement of financial position by the Trust following a review of the contracts based on Treasury Task force Technical Note 1 "How to account for PFI transactions" which interprets IAS16 ''Property, Plant and Equipment'' and IFRIC12'' Service Concession Arrangements''. The increase in annual Unitary Charge is linked to annual movement is RPIx.

At the end of the concession period, the ownership of the six buildings transfers to the Trust at which point the contract will expire.

The Contract also includes the provision of "soft" facility management services. These services are also linked to the annual movement in RPIx but are subject to a market testing exercise which takes place every 5 years. This commenced in January 2014.

The contract stipulates obligations on the Trust and Healthcare Support (Erdington) Limited. Should either party default on its contractual obligations then the other party has the right to terminate the contract. Provisions for compensation are included within the contract which include the Trust settling the amount of outstanding senior debt.

PFI 2 - Birmingham New Hospital Projects

This is a 38 year contract with Consort Healthcare (Birmingham) Limited which commenced in July 2008 and is for the provision of three buildings including "hard" facility management services. The PFI contract was jointly undertaken by the Trust and University Hospital Birmingham NHS Foundation Trust (UHB) for the "Birmingham Super Hospitals" in Selly Oak of which the Trust provides Mental Health services. Only the assets, liability, income and expenditure directly attributable to the Trust under the contract are disclosed in these accounts. The service provision is implicitly for the patients, staff and visitors of the Trust. This contract has been treated as being on-statement of financial position by the Trust following a review of the contracts based on Treasury Task force Technical Note 1 "How to account for PFI transactions" which interprets IAS16 ''Property, Plant and Equipment'' and IFRIC12'' Service Concession Arrangements''. The annual Unitary Charge is linked to annual movement is RPI.

At the end of the concession period, the ownership of the three buildings transfers to the Trust at which point the contract will expire.

The contract contains various termination clauses including voluntary, events of default, Force Majeure, and termination due to material non-availability clauses each having its own compensation mechanism. The voluntary termination clause requires the Foundation Trust to act jointly with UHB.

19 **Provisions for Liabilities and charges - group**

	Total	Legal claims	Property	Restructuring	Injury allowance	Other
	£000	£000	£000	£000	£000	£000
At April 1 2023	5,162	238	1,697	68	1,002	2,157
Change in discount rate	(38)	-	-	-	-	(38)
Arising during the year	29	28	-	-	-	1
Utilised during the year	(651)	(68)	-	-	(83)	(500)
Reversed unused	(202)	-	-	(26)	(49)	(127)
Unwinding of discount rate	12	-	-	-	-	12
At March 31 2024	4,312	198	1,697	42	870	1,505
Expected timing of cash flows:						
- Not later than one year;	1,297	198	141	42	89	827
- Later than one year and not later than five years;	929	-	74	-	355	500
- Later than five years.	2,086	-	1,482	-	426	178
Total provisions for liabilities and charges	4,312	198	1,697	42	870	1,505

The legal claims provision relates to personal legal claims that have been lodged against the Foundation Trust with the NHS Resolution (Formerly NHSLA) but not yet agreed. The exact timing or amount of any payment will only be known once the case is heard, although it is expected that all cases will be resolved during the year ended March 31 2024.

The Trust has £100k of contingent liabilities in respect of legal claims notified by NHS Resolution for potential employer and public liability claims over and above those detailed above at March 31 2024 (£100k at March 31 2023).

The property provision consists of amounts payable on dilapidation costs. Dilapidation provisions are based on managements best estimate of settling dilapidation costs contained within lease contracts but the exact liability will only be known once settlement has been agreed with the lessor. The timing of the cash flows is based on the length of the lease.

The restructuring provision relates to the cost of restructuring a service where an obligation exists at the year end; the most significant cost being redundancy and termination payments. Provisions are only recognised after a clear decision has been made to remove a post and the decision has been communicated to those affected.

The injury allowance provision relates to permanent injury and early retirement provisions. The liability of the Foundation Trust is dependant based on life expectancy.

The other provision consists of £275k for Increment Provision, £179k for Clinicians Pension Tax and the Trust is currently in legal discussions re a trademark infringement. The judgement was issued in January 2019, with costs paid during 2018/19 of £42k. The Trust were asked to provide further information to the Court as to whether any 'profit' had been made from using their trademark, and we await a final judgement on this element. The Trust has a provision of £52k for this. £1,000k for onerous lease costs relating to the Trust's intention to exercise the option of break on the lease of B1, Trust headquarters.

19.1 **Provisions for Liabilities and charges - trust**

	Total	Legal claims	Property	Restructuring	Injury allowance	Other
	£000	£000	£000	£000	£000	£000
At April 1 2023	5,162	238	1,697	68	1,002	2,157
Change in discount rate	(38)	-	-	-	-	(38)
Arising during the year	29	28	-	-	-	1
Utilised during the year	(651)	(68)	-	-	(83)	(500)
Reversed unused	(202)	-	-	(26)	(49)	(127)
Unwinding of discount rate	12	-	-	-	-	12
At March 31 2024	4,312	198	1,697	42	870	1,505
Expected timing of cash flows:						
- Not later than one year;	1,297	198	141	42	89	827
- Later than one year and not later than five years;	929	-	74	-	355	500
- Later than five years.	2,086	-	1,482	-	426	178
Total provisions for liabilities and charges	4,312	198	1,697	42	870	1,505

19.2 **Clinical Negligence liabilities - group and trust**

	March 31 2024	March 31 2023
	£000	£000
Amount included in provisions of the NHS Resolutions (formerly NHSLA) in respect of clinical negligence liabilities of Birmingham and Solihull Mental Health NHS Foundation Trust	8,383	6,588

20 **Contractual capital commitments - group and trust**

The Group was contractually committed to £2,465k at 31 March 2024 (£1,700k at 31 March 2023) of capital expenditure for the purchase of property, plant and equipment.

21 **Third party assets**

The trust held £1,068k cash and cash equivalents at March 31 2024 (£912k March 31 2023) which relates to monies held by the Foundation Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

22 **Cash and cash equivalents**

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
At April 1	59,020	54,799	56,698	51,414
Net change in year	33,208	4,221	30,322	5,284
At March 31	92,228	59,020	87,020	56,698
Broken down into:				
Cash in hand (petty cash)	58	32	58	32
Cash at commercial banks	5,208	2,322	-	-
Cash at GBS	86,962	56,666	86,962	56,666
Cash and cash equivalents as in SOFP	92,228	59,020	87,020	56,698
Bank overdraft				
Cash and cash equivalents as in SOCF	92,228	59,020	87,020	56,698

23 **Ultimate parent compnay**

The Foundation Trust is a public benefit corporation established under the NHS Act 2006. NHS England, the NHS Foundation Trust Regulator, has the power to control the Trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the Trust's parent. NHS England does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS FT Consolidated Accounts are then included within the Whole of Government Accounts. NHS England is accountable to the Secretary of State for Health. The Foundation Trust's ultimate parent is therefore HM Government.

23.1 **Related party transactions**

The Foundation Trust has taken advantage of the exemption provided by IAS 24 'Related Party Disclosures', where the parent's own accounts are presented together with the consolidated accounts and any transactions or balances between group entities have been eliminated on consolidation.

During the year the Foundation Trust did not enter into any material transactions with Board members, governors, key staff members or parties related to them. The Trust did have material transactions with entities within the Whole of Government, details of which are listed below. We have disclosed any values over £1.5m as we consider this to be significant (prior period comparatives remain)

	Income > £1.5m	
	2023/24	2022/23
	£000	£000
University Hospital Birmingham NHS Foundation Trust	2,616	3,463
NHS Birmingham and Solihull CCG*	-	48,785
NHS Birmingham and Solihull ICB*	385,133	156,827
NHS England	193,237	169,671
Health Education England**	-	14,488
Solihull Metropolitan Borough Council	3,256	2,738
Birmingham Women's and Children's Hospital NHS Foundation Trust	5,147	2,569
Midlands Partnership NHS Foundation Trust	4,981	2,807
NHS Black Country and West Birmingham CCG*	-	754
Black Country Healthcare NHS Foundation Trust	2,741	2,200

*CCG Where demised on 01/07/22 and replaced with ICB.
**Health Education England became part of Nhs England for financcial year 2023/24.

	Expenditure > £1.5m	
	2023/24	2022/23
	£000	£000
Birmingham Community Healthcare NHS Trust	300	3,711
NHS Pension Scheme	32,730	29,856
HMRC - Other Taxes and NI	24,670	23,020
Midlands Partnership NHS Foundation Trust	21,707	19,459
Coventry and Warwickshire Partnership NHS Trust	15,348	12,566
Birmingham Women's and Children's NHS Foundation Trust	61,696	7,371
Black Country Healthcare NHS Foundation Trust	7,154	3,787
University Hospitals Birmingham NHS Foundation Trust	1,567	1,179

23.2 **Related party balances**

At the year end the Foundation Trust had material balances with entities within the Whole of Government, details of which are listed below:

	Receivables > £0.5m	
	March 31 2024	March 31 2023
	£000	£000
NHS England	137	8,307
HMRC (VAT)	1,040	1,877
NHS Birmingham and Solihull ICB	600	7,812
University Hospitals Birmingham NHS Foundation Trust	2,668	1,647
Birmingham Women's and Children's NHS Foundation Trust	1,595	1,295

	Payables > £0.5m	
	March 31 2024	March 31 2023
	£000	£000
HMRC - Other Taxes and NI	6,023	5,187
NHS Pension Scheme	3,301	2,910
Birmingham Community Healthcare NHS Trust	872	551
University Hospital Birmingham NHS Foundation Trust	896	552
NHS Birmingham and Solihull ICB	979	517
NHS England	34,449	25,410
Coventry and Warwickshire Partnership NHS Trust	3,654	4,023
Birmingham Women's and Children's NHS Foundation Trust	1,914	2,528
Oxford Health NHS Foundation Trust	-	1,632
Sandwell And West Birmingham Hospitals NHS Trust	520	247

The Foundation Trust is the Corporate Trustee of Birmingham and Solihull Mental Health NHS Foundation Trust Charity Caring Minds (Charity number 1098659) and provides administration services for the Charity. At March 31 2024 the Trust was owed £247k (£183k at March 31 2023) from the Charity for expenses incurred by the Trust related to the Charity.

The Foundation Trust is parent of the wholly owned subsidiary Summerhill Services Limited. At March 31 2024 the Trust was owed £51,726k from the company (£50,270K at 31 March 2023) . Income from Summerhill Services Limited during the year amounted to £29,418k (£28,070k at 31 March 2023) and the expenditure incurred was £29,706k (£28,114k at 31 March 2023).

All related party balances are not secured, are on standard Foundation Trust terms and conditions and will be settled in cash

23.3 **Declaration of Interest - Board**

Name of Person	Name of Organisation	Interest
Roisin Fallon-Williams	NHS Providers	NHS Providers Board Trustee
Sarah Bloomfield	Deloitte LLP	Clinical Advisor and employee coaching
	Public Services Ombudsman Wales	Clinical Advisor for the service
	Mid and West Wales Adoption Service	Independent Panel Member for the adoption service
Dave Tomlinson	DEAT Consulting Limited which has previously provided services to the NHS	95% Shareholder and Director
	Summerhill Services Limited	Director
	*BSMHFT	*Wife working as Executive Assistant
Vanessa Devlin	NIL	NIL
Patrick Nyarumbu	Yellowwood Healthcare Ltd	Shareholding
Linda Cullen	CQC	Second Opionion Appointed Doctor
	Home Group Limited	Non Executive Director
Phillip Gayle	Walsall Healthcare Trust	Non Executive Director
	PG Consultancy	Director
	University Hospital Birmingham	Non Executive Director
	World Afro Day C.I.C	Non Executive Director
	Servol Community Services	CEO
Ann Baines	MiddlefieldTwo Ltd	Director and Management Consultant
	Birmingham and Solihull ICB	ICB Finance and Performance Committee member (as BSMHT NED representative)
Winston Weir	Nehemiah Housing Association	Housing Association
	AOMCS Ltd	ordinary shares 5
	Hywel Dda University Health Board	Non Executive Director
	Walsall Housing Group	Housing Association - Non Executive Director
	Legacy West Midlands - Charity	Trustee of Charity - chair Finance & Investment committee
	The Mercian Trust	Trustee - Multi Academy Trust of Schools based in Walsall
Fabida Aria	Royal college of psychiatrists	Specialist advisor to the Medical Trainee Initiative scheme
	Transcultural psychiatry special interest group	Non-Financial Professional Interest (unpaid role).
	British Indian psychiatry association	Executive member of British Indian psychiatry association
Balbir Claire	University of Warwick	Independent Member of the University Governing Counsel
	Coventry & Warwickshire Partnership Trust NHS	Non Executive Director
	Alumni Services	Associate Consultant
	Clive Henry Group	Non Executive Advisory Board Member
	MyQonsult Ltd	Managing Director (Founder / Owner)
Monica Shafaq	The Kaleidoscope Plus Group	Chief Exec
	Birmingham County Football Association	Non Executive Director
	Premier League Equality and Diversity Panel	Panel Member

24 **Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Foundation Trust has with Integrated Care Boards and the way those Integrated Care Boards are financed, the Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's standing financial instructions and policies agreed by the Board of Directors. The Foundation Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Foundation Trust borrows from government for capital expenditure, subject to affordability. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Foundation Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Foundation Trust's income comes from contracts with other public sector bodies, the Foundation Trust has low exposure to credit risk. The maximum exposures as at March 31 2024 are in receivables from customers, as disclosed in the Trade and other receivables note. The risk associated with cash and deposits with financial institutions (National Loan Funds) is considered to be low as trading cash is held with the Government Banking Service and deposits are only placed on a short-term basis with highly rated UK banks.

Liquidity risk

The Foundation Trust's operating costs are incurred under contracts with Integrated Care Boards, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from funds from robust management of its cash-flows. The Foundation Trust is not, therefore, exposed to significant liquidity risks.

25 **Carrying value and fair value of financial assets - Group**

Carrying value and fair value of financial assets - 31 March 2024	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Financial assets per the SoFP:				
Trade and other receivables excluding non-financial assets	9,131	-	-	9,131
Cash and cash equivalents (at bank and in hand)	92,228	-	-	92,228
Total as at 31 March 2024	101,359	-	-	101,359

Carrying value and fair value of financial assets - 31 March 2023	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Financial assets per the SoFP:				
Trade and other receivables excluding non-financial assets	22,920	-	-	22,920
Cash and cash equivalents (at bank and in hand)	59,020	-	-	59,020
Total as at 31 March 2023	81,940	-	-	81,940

25.1 **Carrying value and fair value of financial assets - Trust**

Carrying value and fair value of financial assets - 31 March 2024	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Financial assets per the SoFP:				
Trade and other receivables excluding non-financial assets	71,619	-	-	71,619
Cash and cash equivalents (at bank and in hand)	87,020	-	-	87,020
Total as at 31 March 2024	158,639	-	-	158,639

Carrying value and fair value of financial assets - 31 March 2023	Held at amortised cost £000	Held at fair value through P&L £000	Held at fair value through OCI £000	Total book value £000
Financial assets per the SoFP:				
Trade and other receivables excluding non-financial assets	84,352	-	-	84,352
Cash and cash equivalents (at bank and in hand)	56,698	-	-	56,698
Total as at 31 March 2023	141,050	-	-	141,050

26 **Carrying value and fair value of financial liabilities - Group**

Carrying value and fair value of financial liabilities - 31 March 2024	Held at amortised cost £000	Held at fair value through P&L £000	Total book value £000
Financial liabilities per the SoFP:			
Loans from the Department of Health and Social Care	25,558	-	25,558
Obligations under leases	7,941	-	7,941
Obligations under PFI, LIFT and other service concessions	81,878	-	81,878
Trade and other payables excluding non financial liabilities	74,467	-	74,467
Total as at 31 March 2024	189,844	-	189,844

Carrying value and fair value of financial liabilities - 31 March 2023	Held at amortised cost £000	Held at fair value through P&L £000	Total book value £000
Financial liabilities per the SoFP:			
Loans from the Department of Health and Social Care	27,771	-	27,771
Obligations under leases	9,002	-	9,002
Obligations under PFI, LIFT and other service concessions	47,580	-	47,580
Trade and other payables excluding non financial liabilities	53,991	-	53,991
Total as at 31 March 2023	138,344	-	138,344

26.1 **Carrying value and fair value of financial liabilities - Trust**

Carrying value and fair value of financial liabilities - 31 March 2024	Held at amortised cost £000	Held at fair value through P&L £000	Total book value £000
Financial liabilities per the SoFP:			
Loans from the Department of Health and Social Care	25,558	-	25,558
Obligations under leases	88,099	-	88,099
Obligations under PFI, LIFT and other service concessions	81,879	-	81,879
Trade and other payables excluding non financial liabilities	72,951	-	72,951
Total as at 31 March 2024	268,487	-	268,487

Carrying value and fair value of financial liabilities - 31 March 2023	Held at amortised cost £000	Held at fair value through P&L £000	Total book value £000
Financial liabilities per the SoFP:			
Loans from the Department of Health and Social Care	27,771	-	27,771
Obligations under leases	93,543	-	93,543
Obligations under PFI, LIFT and other service concessions	47,579	-	47,579
Trade and other payables excluding non financial liabilities	52,228	-	52,228
Total as at 31 March 2023	221,121	-	221,121

The fair value on all these financial assets and financial liabilities equates to their carrying value.

27 **Losses and special payments**

NHS Foundation Trusts are required to report to the Department of Health any losses or special payments, as the Department of Health still retains responsibility for reporting these to Parliament.

There were 63 cases of losses and special payments totalling £443k during the year to March 31 2024 (111 cases totalling £292k during the year to March 31 2023). These amounts are reported on an accruals basis but excluding provisions for future losses.

Losses and special payments (approved cases only)	2023/24 Total No. of cases Number	2023/24 Total value of cases £000	2022/23 Total no. of cases Number	2022/23 Total value of cases £000
Losses:				
Losses of cash due to :				
Theft, fraud etc	1	1	6	1
Fruitless payments and constructive losses			-	-
Bad debts and claims abandoned in relation to :				
Other	9	358	50	37
Damage to buildings, property etc. (including stores losses) due to:				
Theft, fraud etc	-	-	-	-
Store losses	12	13	12	72
Other	-	-	-	-
Total Losses	22	372	68	110
Special payments :				
Compensation under legal obligation	27	69	29	83
Ex gratia payments; in respect of; loss of personal effects	14	2	12	2
Special severance payments	-	-	1	1
Other employment payments	-	-	1	96
Overtime corrective payments	-	-	-	-
Total special payments	41	71	43	182
Total losses and special payments	63	443	111	292

28 **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 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.

The projected pension expense for the year ending 31 March 2025 is £37,810k, with employer contributions estimated at £22,916k.

28.1 **Pensions (continued)**

NEST Pension Scheme

National Employment Savings Trust is a defined contribution pension scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008 (as amended by Pensions Act 2014). There are currently 407 employees enrolled in this service as at 31 March 2024.

The projected pension expense for the year ending 31 March 2025 is £147k, with employer contributions estimated at £63k.

29

Corporation Tax Expense - Group	2023/24 £000	2022/23 £000
UK corporation tax expense	299	328
Adjustment in respect of prior years	(90)	(163)
Current tax expense	209	165
Origination and reversal of temporary differences	19	225
Deferred tax expense	19	225
Total income tax expense in statement of comprehensive income	228	390
Reconciliation of effective tax charge		
Effective tax charge percentage	2	(66)
Tax if effective tax rate charged on surpluses before tax	2	(66)
Effect of :		
Surpluses not subject to tax	-	-
Non-deductible expenses	297	394
Adjustments in respect of prior years	-	-
Share of results of joint ventures and associates	-	-
Change in tax rate	-	-
Other	-	-
Total income tax charge for the year	299	328

30

Deferred tax asset / liability - Group	2023/24 £000	2022/23 £000
Deferred tax asset to be recovered after > 12 months	-	-
Deferred tax liability to be recovered after > 12 months	142	123
Total deferred tax asset / Liability	142	123

Annual accounts
Documents prepared by the FT to show its financial position. Detailed requirements for the annual accounts are set out in the Department of Health Group Accounting Manual , published by NHS England. The *Annual Reporting Manual* was previously called the *Foundation Trust Financial Reporting Manual* .

Annual report
A document produced by the FT that summarises the FT's performance during the year, including the annual accounts.

Asset
Something the FT owns – for example a building, some cash, or an amount of money owed to it.

Audit Code
Audit Code for Foundation Trusts
A document issued by NHS Improvement, which sets out how FT audits must be conducted.

Audit opinion
The auditors' opinion of whether the FT's accounts show a true and fair view of its financial affairs. If the auditors are satisfied with the accounts, they will issue an unqualified audit opinion.

Available for sale
Assets are classed as available for sale if they are held neither for trading nor to maturity. An example of this would be an investment without a maturity date such as an ordinary share.

Statement of Financial Position
A year-end statement prepared by all public and private sector organisations, which shows the net assets controlled by the organisation and how these have been funded. The balance sheet is known as the Statement of Financial Position under IFRS.

Breakeven
An FT has achieved breakeven if its income is greater than or equal to its expenditure.

Cash and cash equivalents
Cash includes cash in hand and cash at the bank. Cash equivalents are any other deposits that can be converted to cash straight away.

Corporation tax
A tax payable on a company's profits. FTs may have to pay corporation tax in the future.

Current asset or current liability
An asset or liability the FT expects to hold for less than one year.

Depreciation
An accounting charge to represent the use, or wearing out, of assets. As a result the cost of an asset is spread over its useful life.

Earnings before interest, tax, depreciation and amortisation (EBITDA)
A measure of an FT's financial performance excluding interest, tax, depreciation and amortisation. EBITDA is used to calculate some of NHS Improvements risk ratings.

External auditor
The independent professional auditor who reviews the accounts and issues an opinion on whether the accounts present a true and fair view.

External financing limit
A measure of the movement in cash an FT is allowed in the year, which is set by the government.

Finance lease
An arrangement whereby the party leasing the asset has most or all of the use of an asset, and the lease payments are akin to repayments on a loan.

Financial statements
Another term for the annual accounts.

Department of Health Group Accounting Manual (GAM)
The key document, published annually by NHS Improvement, setting out the framework for the FT'S accounts. Now called the Group Accounting Manual (GAM).

Going concern
The accounts are prepared on a going concern basis, in other words with the expectation that the FT will continue to operate for at least the next 12 months.

Impairment
A decrease in the value of an asset.

Intangible asset
An asset that is without substance, for example computer software.

International Financial Reporting Standards (IFRS)
The new accounting standards that the NHS has adopted from April 2009.
International Standards on Auditing (United Kingdom and Ireland) (ISAs (UK&I))
The professional standards external auditors must comply with when carrying out audits.

Inventories
Stock, such as clinical supplies.

Liability
Something the FT owes, for example an overdraft, a loan, or a bill it has not yet paid.

Liquidity ratio
Liquidity is a measure of how easily an asset can be converted into cash. Bank deposits are very liquid, debtors less so. The liquidity ratio is a measure of an entity's ability to meet its obligations, in other words how well it can pay its bills from what it owns.

Non-current asset or liability
An asset or liability the FT expects to hold for more than one year.

Non-executive director
Non-executive directors are members of the FT's board of directors but do not have any involvement in day-to-day management of the FT. They provide the board with independent challenge and scrutiny.

Operating lease
An arrangement whereby the party leasing the asset is paying for the provision of a service (the use of the asset) rather than exclusive use of the asset.

Payables
Amounts the FT owes.

Clinical Commissioning Groups (CCGs)
The body responsible for commissioning all types of healthcare services across a specific locality.

Primary statements
The four main statements that make up the accounts: the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Taxpayers' Equity; and Statement of Cash Flows.

Private Finance Initiative (PFI)
A way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage new projects. Contracts typically last for 30 years, during which time the building is leased by the FT.

Provision
A liability of uncertain timing or amount.

Prudential Borrowing Code
NHS Improvements mechanism to limit the total amount an FT is allowed to borrow. The Code sets out how to determine an FT's prudential borrowing limit.

Prudential borrowing limit
The amount of money an FT is allowed to borrow, as agreed with NHS Improvement

Public dividend capital
Taxpayers' equity, or the taxpayers' stake in the FT, arising from the government's original investments in NHS trusts when they were first created.

Receivables
Amounts owed to the FT.

Remuneration report
The part of the annual report that discloses senior officers' salary and pension information.

Reserves
Reserves represent the increase in overall value of the organisation since it was first created.

Statement of Cash Flows
The name for the cash flow statement under IFRS. It shows cash flows in and out of the FT during the period.

Statement of Changes in Taxpayers' Equity
One of the primary statements which shows the changes in reserves and public dividend capital in the period.

Statement of Comprehensive Income
The new name for the income and expenditure account, and the public sector equivalent of the profit and loss account. It shows what income has been earned in the year, what expenditure has been incurred and hence the surplus or deficit for the year.

Statement on Internal Control
A statement about the controls the FT has in place to manage risk.

Those charged with governance
Auditors' terminology for those people who are responsible for the governance of the FT, usually the audit committee.

True and fair
It is the aim of the accounts to show a true and fair view of the FT's financial position, that is they should faithfully represent what has happened in practice.

UK GAAP (Generally Accepted Accounting Practice)

The standard basis of accounting in the UK before international standards were adopted.

Unrealised gains and losses
Gains and losses may be realised or unrealised. Unrealised gains and losses are gains or losses that the FT has recognised in its accounts but which are potential as they have not been realised. An example of a gain that is recognised but unrealised is where the value of assets has increased. This gain is realised when the assets are sold or otherwise used

Integrated care board (ICB)
An integrated care board (or ICB) is a statutory NHS organisation which is responsible for developing a plan for meeting the health needs of the population, managing the NHS budget and arranging for the provision of health services in a geographical area.

Noted	Meaning
"k"	'000
" £ m"	'000000
" '000 "	'000

Birmingham and Solihull Mental Health
NHS Foundation Trust
Uffculme Centre
52 Queensbridge Road
Birmingham
B13 8QY

Main switchboard: 0121 301 0000
Website: www.bsmhft.nhs.uk

COM0128A-062024