

# THE NHS CONFEDERATION

England & Wales · Charity number 1090329

## Details

---

**Status** Registered

**Legal form** Charitable company

**Company number** [04358614](#)

**Registered** 2002-01-30

**Register** [View on the Charity Commission register](#)

## Contact

---

**Address** 2nd Floor  
18 Smith Square  
London

**Phone** 02077996666

**Email** [governance@nhsconfed.org](mailto:governance@nhsconfed.org)

**Website** [www.nhsconfed.org](http://www.nhsconfed.org)

## Activities

---

**Objects:** THE RELIEF OF SICKNESS AND THE PRESERVATION AND PROTECTION OF PUBLIC HEALTH

**Activities:** The NHS Confederation supports healthcare services in England, Northern Ireland and Wales. It is the membership body for providers and commissioners of healthcare. We seek to support our members and the wider system to plan, deliver and transform health and care systems for the benefit of patients, carers and the public.

## Classification

---

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

## Geography

---

- Northern Ireland
- Throughout England And Wales

## Finances

---

| Period end | Income      | Expenditure | Assets     | Employees |
|------------|-------------|-------------|------------|-----------|
| 2025-03-31 | £23,950,997 | £24,645,845 | £8,480,372 | 273       |
| 2024-03-31 | £23,788,352 | £24,706,135 | £9,126,254 | 265       |
| 2023-03-31 | £22,584,114 | £22,112,936 | £9,540,774 | 245       |
| 2022-03-31 | £17,641,683 | £16,577,518 | £9,442,710 | 210       |
| 2021-03-31 | £15,045,776 | £15,211,538 | £8,312,021 | 210       |

## Trustees

| Name                              | Role | Appointed  |
|-----------------------------------|------|------------|
| Baron Victor Adebawale CBE        |      | 2020-04-27 |
| Christopher Oliver                |      | 2026-01-13 |
| Dr Buki Adeyemo                   |      | 2025-07-24 |
| Dr Kathy McLean                   |      | 2025-07-24 |
| Dr Peta Foxall                    |      | 2022-03-24 |
| Dr Pramitkumar Patel              |      | 2021-10-14 |
| Ebunoluwa Ajayi                   |      | 2025-02-17 |
| Elliot Howard-Jones               |      | 2026-01-13 |
| Emma Woollett                     |      | 2022-11-01 |
| JONATHAN MORGAN                   |      | 2024-03-21 |
| Karen Walker                      |      | 2026-02-05 |
| Mary Elford                       |      | 2026-01-13 |
| Matthew Bryant                    |      | 2026-01-13 |
| Nandakumar Ratnavel               |      | 2021-03-25 |
| Paul Jonathan Davies              |      | 2023-10-05 |
| Professor Andrew Hardy            |      | 2026-01-13 |
| Professor Joseph Richard Harrison |      | 2021-03-25 |
| Richard Henderson                 |      | 2026-01-13 |
| Richard Mitchell                  |      | 2026-01-13 |
| Roisin Coulter                    |      | 2026-06-08 |
| Selina Ullah                      |      | 2026-01-13 |
| Sharon Mays                       |      | 2026-01-13 |
| Sir Terence Stephenson            |      | 2026-01-13 |
| Valerie Morton                    |      | 2021-07-15 |

**THE NHS CONFEDERATION**

England & Wales - Charity number 1090329

---

# Accounts

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**THE NHS CONFEDERATION**

**LEGAL AND ADMINISTRATIVE INFORMATION**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

|                    |  |
|--------------------|--|
| Trustees           | Lord Victor Adebowale<br>Prof Joseph Harrison<br>Nanda Ratnavel<br>Marie Gabriel<br>Valerie Morton<br>Dr Prमित Patel<br>Dame Jackie Daniel<br>Dr Peta Foxall<br>Emma Woollett<br>Paul Davies<br>Jonathan Patton<br>Jonathan Morgan<br>Foluke Ajayi (appointed 17 February 2025)<br>Ifti Majid (resigned 27 March 2025)<br>Fiona Edwards (resigned 27 March 2025) |
| Charity number     | 1090329  |
| Company number     | 04358614   |
| Registered office  | 2nd Floor<br>18 Smith Square<br>London<br>SW1P 3HZ   |
| Auditor            | BHP LLP<br>1 <sup>st</sup> Floor, Mayesbrook House<br>Lawnswood Business Park<br>Redvers Close<br>Leeds<br>LS16 6QY  |
| Banker             | Barclays Bank Plc.<br>1 Churchill Place<br>London<br>E14 5HP   |
| Solicitors         | Capsticks LLP<br>1 St George's Road<br>Wimbledon<br>London<br>SW19 4DR   |
| Investment adviser | Sarasin and Partners LLP<br>Juxon House<br>100 St Paul's Churchyard<br>London<br>EC4M 8BU  |

**THE NHS CONFEDERATION**

**LEGAL AND ADMINISTRATIVE INFORMATION**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

Senior Executive Staff

Matthew Taylor  
Chief Executive, NHS Confederation

Danny Mortimer  
Deputy Chief Executive, NHS Confederation/Chief Executive NHS Employers

Daniel Reynolds  
Director of Communications

Darren Hughes  
Director, Welsh NHS Confederation

Heather Moorhead  
Director, Northern Ireland Confederation for Health and Social Care

Joan Saddler  
Director of Partnerships and Equality

John O'Brien  
Commercial Director

Layla McCay  
Director of Policy

Marie Pritchard  
Director of People and Governance

Nikki Barraclough  
Director of Finance and IT

Rory Deighton  
Director, Acute Network

Ruth Rankine  
Director of Primary Care

Sarah Walter  
Director, ICS Network

Habib Naqvi  
Chief Executive, Race and Health Observatory

Sean Duggan (resigned May 2024)  
Chief Executive, Mental Health Network

Rebecca Gray (appointed January 2025)  
Chief Executive, Mental Health Network

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

The trustees present their report and the audited consolidated financial statements for the year ended 31 March 2025.

The trustees are pleased to present their annual trustees' report (which is also prepared to meet the requirements for a directors' and strategic report) together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2025. The financial statements have been prepared in accordance with the Charities Act 2011, Companies Act 2006, the organisation's articles of association and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published in October 2019.

The directors of the charitable company are its trustees for the purpose of charity law.

## About us

The NHS Confederation is the membership organisation that brings together, supports and speaks for the whole healthcare system in England, Wales and Northern Ireland. The members we represent employ over 1.5 million staff, care for more than 1 million patients a day and control £150 billion of public expenditure. We promote collaboration and partnership working as the key to improving population health, delivering high-quality care and reducing health inequalities. We support our members in three main ways:

- We represent organisations and sectors, to ensure local organisations and systems work in the best interests of service users, citizens and staff.
- We connect the whole healthcare system, to boost system working and develop solutions to shared challenges.
- We support leaders to develop and hone their leadership skills, equipping leaders with tools, ideas and insights and connecting them with a community of leaders.

Our work is underpinned by our values which help us to achieve our vision of a healthier population supported by high-quality health and care services that benefit everyone. We are respectful, inclusive, bold, collaborative and we act with integrity.

The NHS Confederation includes NHS Employers, the employers' organisation for the NHS in England. We host two organisations: the NHS Race and Health Observatory, which works to identify and tackle ethnic inequalities in health and care by facilitating research, making health policy recommendations and enabling long-term transformational change; and Understanding Patient Data, which aims to make the way patient data is used more visible, understandable and trustworthy, for patients, the public and health professionals.

## Key achievements for 2024/25

Our influencing work continued at pace throughout 2024/25, ensuring that our members in England, Wales and Northern Ireland were supported to respond to challenges and deliver the best outcomes for their communities. With a continued and further strengthened focus on improvement, we also worked to secure the resources members need to make positive changes and equipped them with the tools, capabilities and insights to deliver change.

What follows below is a snapshot of our achievements over the year.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

## Influence

### Engaging with the new government

We have established strong relationships with the new government and are in regular discussion about its NHS reform agenda. We've established good relationships with ministers at the Department of Health and Social Care (DHSC), the Cabinet Office, Treasury, No.10 and the new chair of the Health and Social Care Select Committee, among others. This followed an effective general election strategy in which we engaged with political parties and prospective parliamentary candidates from across the board and published a manifesto representing members' views. Many of our asks were taken forward in the Labour party manifesto and we have since published a number of influential reports to inform our engagement with the new government's wider health mission.

### Stabilising NHS finances

The government's first Budget in October 2024 resulted in a better settlement than expected for the NHS and followed months of advocacy by the NHS Confederation on behalf of our members. We also furthered our call for capital investment by publishing an options paper for government setting out ways to raise the capital funding we have said is needed to improve productivity. More recently, we have been supporting our members as they contend with significant efficiency savings as a result of the government's decision to cut integrated care board (ICB) budgets by 50 per cent and for NHS trusts to cut their corporate costs.

### Ten-year health plan

We continue to influence the upcoming ten-year health plan to reflect the needs of our members. We are having regular discussions with senior officials leading on developing the plan and have convened them with our members. We have representatives across three of the plan's working groups and have briefed into several others. We have also brought together members across all the working groups to help develop and test our key policy proposals for the ten-year health plan.

### Care closer to home

We developed a strategy to support our members to deliver the government's aim of moving care closer to home within their own system. Our work has included an examination of payment mechanisms to support the shift and identifying the factors to enable a neighbourhood health and care system. We also launched our integrated neighbourhood working partnership with Local Trust to promote and test community-led approaches to health and wellbeing in some of England's most deprived neighbourhoods, with the aim of improving population health and reducing inequalities through joined up, community-led approaches.

### Shifting from treatment to prevention

In the autumn, we concluded two key projects focused on enabling the government's third intended shift for the NHS, from treatment to prevention, looking into the economic return on investment for key preventative interventions and setting out how the government can create the conditions for integrated care systems (ICSs) to shift to a truly preventative approach.

### Analogue to digital

We called on the government and NHS England to recognise the importance and challenge of digitising the NHS in sharing and using data across different organisations. We examined member experience of converging electronic patient record (EPR) systems, and the conditions our members need to implement EPR. Our report, produced with Ethical Healthcare Consultancy, led to influential conversations with the government and NHS England on resources, support and funding needed. Our advocacy contributed to the government's pledge to support analogue to digital funding in the 2024 Budget.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

#### **Influencing the regulatory landscape**

After our consistent advocating, this year's operational planning guidance contained fewer national priorities focused on key areas of recovery as well as reform. We have worked to shape national regulation and oversight processes, including sitting on the ten-year health plan accountability and oversight working group, and have worked closely with NHS England on developing guidance around system oversight and clarifying the role of ICBs in provider oversight. We are now working with CQC to ensure its approach to ICS assessments adds value for systems and the public.

#### **Winter pressure influencing**

We worked to ensure that the extremely challenging winter faced by our members, and the public, remained high in both the media and political arenas. We were one of the most prominent commentators in the media, highlighting the need for extra support and reforms to ensure that patients, as well as NHS staff, do not have to face another winter like the last few.

#### **Elective recovery**

Our influence continued with our work in partnership with Carnall Farrar that analysed the nature and extent of the elective backlog. The analysis showed that doing more activity without changing the way we work will not solve the problem of ever-increasing demand. The report and our recommendations were publicly welcomed by the Secretary of State for Health and Social Care, influencing the government's two other shifts towards digitisation and prevention.

#### **Systems and commissioning**

Based on extensive member engagement, our ICS Network has been working with ICB leaders and system partners to shape the future of commissioning in a system context. Our research on the lessons learned from early delegation of specialised services will highlight the opportunities that it can bring to support integrated care.

Our evidence-based report on the progress of ICSs demonstrated that ICS leaders are positive about the progress their local systems are making against their four purposes but also revealed key barriers to moving to a prevention-based approach, including financial constraints and short-term targets.

#### **Primary and community care**

To maximise our impact on influencing national policy, our Primary Care Network and Community Network facilitated a meeting with a selection of our members and the DHSC's second permanent secretary Tom Riordan, to discuss national ambitions around neighbourhood working and scaling up best practice. We expect our influencing to be reflected in the content of the ten-year plan.

Our Primary Care Network met with the government and senior healthcare officials to support a shift to a Neighbourhood Health Service and launched a new partnership with Local Trust to promote and test community-led approaches to health and wellbeing in some of England's most deprived neighbourhoods. We engaged with key officials within DHSC and NHS England post-election, providing briefings on specific topics including GPs in the Additional Roles Reimbursement Scheme (ARRS), collective action and neighbourhood health centres. Our input influenced changes to the ARRS, and recommendations for future contract changes have been put forward on behalf of our members as part of ten-year plan influencing.

#### **Mental health**

Following our sustained lobbying, the new government included reforming the Mental Health Act in its first King's Speech. Following meetings with Baroness Merron, DHSC civil servants and peers, an amendment was tabled to the mental health bill to highlight the need for effective planning and resourcing to implement the reforms, particularly around services for people with learning disabilities and autistic people.

Our Mental Health Network worked in partnership with Centre for Mental Health to develop a revised figure for the social and economic costs of mental ill health of £300 billion. This up-to-date understanding of the economic, human and health

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

and care costs can support more targeted spending at a local and national level. They also worked with the wider sector and used our collective voice to ensure the government upheld its commitment to the Mental Health Investment Standard, which has been key in starting to address the high level of unmet need.

**Representing employers and the workforce**

Through NHS Employers we continue to use intelligence from employers to inform the development of the ten-year health plan, the reform of skills and education policy, the apprenticeship levy and the proposed new employment rights bill. In its role as secretariat to the NHS Staff Council, medical negotiating committees and the Social Partnership Forum, NHS Employers has contributed to the effective completion of the non-pay commitments to the Agenda for Change 2023 pay deal.

**Making the case for women's health**

Our research project on women's health economics reflected the views of hundreds of experts by experience, making a clear case for investment in women's health as a key plank of the government's growth mission. The project concluded with a parliamentary launch of the research findings, which were welcomed by many leading stakeholders in both the women's and health sectors.

**Wales**

Ahead of the Senedd election in May 2026, the Welsh NHS Confederation (WNHSC) launched an election briefing, setting out NHS leaders' calls for the next Welsh Government. This followed significant engagement with members, including a comprehensive survey and focus groups. The five priorities centre around prevention, workforce, performance and financial frameworks, social care and estates and infrastructure.

**Northern Ireland**

The Northern Ireland Confederation for Health and Care (NICON) this year has developed our improvement work, specifically leading work across systems facilitating the establishment of a provider collaborative approach. In addition, we have strengthened our relationship with the Department of Health NI and investment in our media activity has resulted in a much higher public profile over the year.

**International**

Through our European office we represented England at EU level on the Transforming Health and Care Partnerships Horizon Europe programme that will result in 2030 in a virtual health system analysis and knowledge platform accessible to trusts. We also represented members' interests in the review of the UK and EU Trade and Co-operation Agreement and engaged with EU-level healthcare and health policy leaders to share best practice and influence on topics with potential impacts on the NHS, including for critical medicines supply, research and innovation and life sciences.

**Improvement**

We hold firm in our view that a stronger and more sustainable NHS requires continuous development and support for its leaders and embedding of improvement as a mainstream part of how it works. This is why we have further developed our leadership and improvement offers for members, using our unique position as convenor of leaders across the whole health system to support our members in a more focused and practical way.

**At system level**, our aim is to support leaders in achieving the Hewitt review recommendations that ICSs become 'self-improving systems' and we are doing this through helping to build a culture of continuous learning and improvement.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

To this end, in partnership with the Health Foundation and the Q community we are supporting leaders to both create the context and conditions for change and delivering transformation. In 2024, we delivered the first year of the Learning and Improving Across Systems peer learning programme. This nine-month programme offered support to leaders to build greater understanding of improving across systems; increase awareness and confidence to use different improvement frameworks, tools and approaches; and facilitate peer connections for learning and support. We brought together 168 leaders with a focus on improvement across 38 ICSs, NHS trusts and health boards, local authorities, and voluntary organisations across England, Scotland, Wales and Northern Ireland. Those who took part benefited from time for reflection and providing a structured approach for effective sharing, learning and relationship building. We are looking forward to onboarding a second cohort in 2025.

In addition, practical workshops and development sessions from our ICS Network have helped system leaders make the most of their integrated care partnership as a vehicle for setting strategic priorities. Our work with place leaders has explored how place and neighbourhood working can be further developed, and our newly launched community of practice is supporting place leaders and others with developing leadership within neighbourhood health.

In addition to supporting system leaders, we have looked to work with members on cross-sector challenges within systems. For instance, our Interface Improvement Programme, delivered by our Acute Network and Primary Care Network, has supported 11 teams to date to understand, develop, implement and sustain solutions to the challenges of working at the interface of primary and secondary care within their areas. From the programme, we have built a hub of materials, case studies and best practice on our website for others to use to develop their practice in this space.

We have played an active role in supporting members to develop their leadership and deliver **improvement to tackle inequalities**:

- Our partnership and equalities team launched the Tackling Inequalities Leadership Programme to support EDI directors and senior leaders in addressing workforce and health inequalities within the NHS. By building a peer network and providing essential tools and insights, the programme empowers leaders to advocate for tackling inequalities and to integrate EDI into their organisations' core strategies.
- The Health and Care Network of LGBTQ+ Networks supported over 270 LGBTQ+ network chairs and leads with training and a safe space to connect and discuss challenges. Partnering with the University of York, the network delivered a free pilot training programme to enhance leadership in purpose, impact, and integrity.
- The BME Leadership Network published Excellence Through Equality: Anti-Racism as a Quality Improvement Tool, to tackle persistent racial inequalities in NHS services by highlighting effective anti-racist initiatives. The resource offers guidance for members on best practices, outlines a systematic approach for implementing anti-racism strategies, and emphasises community engagement in decision-making.
- We have also held a number of focused leadership and improvement events, including our eighth annual Health and Care Women Leaders Network conference in which over 150 delegates gained insights on how women and allies can collaborate to break barriers and drive innovative solutions for gender equity. Delegates collected valuable tools for their leadership journeys, drew inspiration from established leaders and experts, and connected with senior and aspiring leaders in health and care.

**NHS Employers** has continued to support all provider NHS organisations in England to improve workforce and employment practice. Networks with chief people officers and their teams provide a space to discuss and shape policy implementation and delivery and facilitate the sharing of workforce and OD expertise and best practice. Satisfaction survey results showed that over 90 per cent of members either agree or strongly agree that these networks have benefited them.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

**The Welsh NHS Confederation** has been convening leaders from across Wales to discuss how services could look in the future. Led by the chief executive management team, the events gathered views and consensus around future services. In addition, through the NHS Leadership National Programme and peer group chairs, vice chairs and CEOs groups, the Welsh NHS Confederation has facilitated national conversations, connecting NHS leaders from across Wales and the UK. This programme of support has improved knowledge sharing and expertise across executive director peer groups and has further improved understanding of whole-system priorities, creating the impetus to explore shared challenges and develop collective solutions.

**NICON** supported leadership development through facilitating regular work with a senior leadership coach and HSC chairs, trust chief executives, and specialist ALB chief executives, and we continued to work to build a strong collective leadership agenda. In an approach supported by NICON, HSC trust chief executives have begun meeting with regional executive officers (REOs) in the Republic of Ireland, in a move to improve cross-border working and strengthen an All-Ireland approach to health and social care.

Through a variety of expert and member-led discussion sessions and workshops, NICON facilitated a range of topical issues such as integrated care systems NI, provider collaboratives, prevention, hospital reconfiguration and budget briefings.

Finally, we have also delivered sector or topic specific improvement support to upskill members and develop their practice:

- Primary care leaders have gained knowledge and insight from leadership programmes, conferences and workshops including the Leading Teams Through Change programme for the Greater Manchester Primary Care Provider Board, a conference in the south east supporting integrated neighbourhood working, and an online workshop for members on PCN-level relationships and conflict resolution.
- Expert webinar sessions from the Primary Care Network have delivered insight on topics including optometry, mental health, community pharmacy and neighbourhood working, as well as health inequalities in collaboration with NHS England and a session with Dr David Unwin on the low-carbohydrate approach to achieving type 2 diabetes remission.
- Our six-part webinar series on health economic partnerships helped acute trusts articulate their critical leadership role in driving economic and social development. Topics included the role of trusts in anchor systems, what devolution means for the NHS, quantifying the economic impact of the NHS, and how to bring health to the high street.

## Commercial activity

We have continued to increase the amount of income we generate from commercial revenue streams, to reduce the burden of fees on our members. We delivered the third NHS ConfedExpo, our joint event with NHS England over two days in Manchester, attracting our highest ever attendance with 5,696 attendees and increased income from sponsorship and exhibitions by £165,000. Delegates had the opportunity to pick from 183 sessions and 567 speakers. After the conference, 93 per cent of delegates stated that they had already shared learning with colleagues as a result of attending NHS ConfedExpo, or were likely to.

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

We continued to develop new income channels, including new leadership and improvement offers, as well as our first clients for our event management service and our new communications agency offer. We also ended a lease for offices in Leeds and secured new premises, reducing our running costs by £250,000 per year.

Finally, throughout the year we delivered 130 events, engaging 19,000 delegates in our work on behalf of the NHS.

**Plans for 2025/26**

For 2025/26, we have taken a more collective approach to planning and delivering influencing and improvement work for our members, recognising the need to respond to large cross-cutting issues that impact all networks. This includes focusing on developing thinking and understanding of the work our members are already doing around the shifts due in the ten-year plan, as well the more immediate issues around the sustainability and performance, the refresh of the overall operating role and the role of NHS England and systems within that.

Crucially, we will concurrently maintain the strong core focus on our member offer. This means both the strong engagement work of network teams to understand and respond to needs and ensure that we are responding to changing structures and interests of members, as they work more and more across traditional sector boundaries.

**Putting the NHS on a sustainable footing**

We will inform the government's comprehensive spending review to push for a long-term settlement for the NHS that enables the service to be placed on a more sustainable footing. That includes continuing to make the case for the extra capital investment that is required to enable NHS organisations to improve productivity.

We will explore how existing constitutional standards and other performance measures shape the NHS; how these interact with the three shifts; if meeting them is a realistic prospect; what the value of the data being collected is; and how they could evolve. This will provide the government with both the space and the insight needed to change standards where necessary, including to build in more measures relating to the patient experience, such as primary care continuity.

In line with our members' near-unanimous support for reforming adult social care (ASC), a workforce plan that recognises the interdependence of NHS and ASC needs, and reducing demand on the NHS, we will:

- partner with ADASS to influence the Casey Commission and the workforce plan, including inviting them to be part of an NHS ConfedExpo mainstage session and developing joint positions as Casey unfolds
- build relationships with existing coalitions working on the six key drivers of NHS demand: bad housing, cheap alcohol, junk food, under-18s on social media, vaping and online gambling.

We know that improved data benchmarking would support members to understand the flow of activity and resources around their trusts, empowering them to pursue and evidence improvement at scale. So, to enable this, we are partnering with Beamtree, an Australian health data analytics company, to develop The Evolve Collaborative, to support data-driven improvement.

**Shifting from hospital to community**

For members to deliver the hospital-to-community shift, they will need access to practical tools and infrastructure. Their voices must be reflected in the next phase of work and the implementation of guidance. To achieve this, we will influence NHS England on the standard offer for community health services. We will provide a vital building block in measuring the impact/ value of community health services that is needed to make the case to central government about the potential ROI.

Leaders must also feel confident and supported in order to make care closer to home a reality in their system. To help them achieve this, we will:

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

- establish a community of practice for primary care, community and place members who are leading on the development of neighbourhood health
- support provision of the NHS England / DHSC National Improvement Programme for neighbourhood health with partners
- deliver a programme of action research for neighbourhood health, involving in-depth work with five Big Local areas to improve relationships between public sector and communities over a period of 12-18 months.

To achieve our objectives of more money (as percentage of budget) being spent on primary and community care by the end of the parliament, we will:

- develop positioning on the capital requirements of community and primary care
- develop a set of policy proposals in order to measure a left shift of resources.

To ensure patients receive a greater percentage of care closer to home, we will:

- deliver a programme for members focused on reducing out-of-area placements in mental health and developing best practice and policy solutions.

We will also need to ensure our members have access to practical tools and infrastructure to help them to deliver the hospital-to-community shift. To achieve this, we will:

- influence NHS England on the role of place, developing a clear narrative on how place fits into the system architecture and operating model
- influence NHS England on the development of a Neighbourhood Health Service, developing a clear narrative on what a Neighbourhood Health Service should include and proposals for implementation.

### **Moving from treatment to prevention**

Preventative healthcare and tackling health inequalities need to be core business and the main focus of the future healthcare system. This requires systematic prioritisation and incentivisation. To enable this, we will support and develop cross-government and local system capability and capacity on early intervention and prevention through proactive models of physical and mental care to reduce inequalities and improve population health.

We will:

1. support systems and organisations to better understand how the drivers of ill health interact with how care is delivered.
2. make the case for commitment to well-evidenced interventions in primary and secondary prevention
3. help leaders develop their own understanding and skills to achieve change by peer learning through sharing effective practice
4. work with leaders to 'unstick' particularly challenging areas of work that would have high impact in relation or prevention of ill health
5. influence the financial and regulatory decisions of central government and local systems which could support prevention.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

#### Shifting from analogue to digital

Fundamental to how we deliver on the above approaches is the use of digital, technology and innovation. The shift from analogue to digital is not merely about adopting new technologies; it serves as a crucial enabler for moving care into the community and focusing on prevention. By digitising patient records, streamlining communication and using improved data analytics, the NHS can provide more personalised and proactive care. This shift is the vital backbone in how we empower healthcare professionals to identify and address health issues earlier, improve patient outcomes, and ultimately deliver a more sustainable, effective and efficient healthcare system.

To support this in 2025/26, we will focus on the following:

1. Learning and collaboration on where digital has been successfully used to improve population mental health.
2. Accelerating system and pathway transformation through effective industry partnerships.
3. Evaluation of hospital at home models in the community.
4. Accelerating the uptake and implementation of digital and innovative models of care and new innovations such as AI, medicines and MedTech.
5. Learning and influencing based on Federated Digital Platform pilot sites.
6. Helping digital embed within a whole system to support digital transformation.
7. Ensuring the life sciences ecosystem is fit for purpose and reflects the needs of the system as well as industry.
8. Supporting, showcasing and enabling positive digital programmes that are inclusive and accessible.

#### Delivering a strategy for national health and prosperity

In 2025/26 we aim to influence the government to adopt a joined-up approach to health creation and reducing health inequalities, leading to improved health outcomes for populations, reduction of duplication and fragmentation of services, and co-designed services that are tailored to local needs and priorities. To support this, we will:

- conduct original research and lobby for a national strategy for health that spans different government departments
- support and deliver a National ICP Forum with partners
- continue to provide the voice of health leaders in national policy debate on public service reform and 'total place', both publicly and privately, ensuring that place, health and the public pound are at the heart of public service reform, focused on efficiency and improvement in public services.

#### Supporting the workforce

Through NHS Employers we will continue to represent employers to develop a sustainable workforce and be the best employers they can be. We will continue to deliver all requirements under the DHSC contract and have submitted our tender to win the revised contract for 2026 and beyond.

We will strengthen the employee offer for the NHS by:

- developing a case for flexibility in the NHS Pension Scheme with the Scheme Advisory Board
- implementing deals with medical and Agenda for Change unions
- supporting effective job evaluation practice
- promoting good employment practice, especially in relation to flexible working
- strengthening partnership working.

To support the supply and education of the NHS workforce, we will:

- influence the Skills England agenda
- promote widening participation programmes and activity with particular focus on anchor systems and refugee employment

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

- promote 'one workforce' through continuing our Integrated Workforce Thinking work programme, neighbourhood team policy, and support to social care fair pay
- take part in the medical rotation review project.

And to support leadership and leadership culture, we will deliver the Do OD programmes for NHS England.

## Supporting health and care systems in Wales and Northern Ireland

### The Welsh NHS Confederation

There are two major priority areas of work for the Welsh NHS Confederation:

#### 1. Creating a sustainable health and social care system

WNHSC will:

- create consistent messaging on the benefits of change in providing sustainable services through enabling members to articulate what a system of the future might look like, including through greater alignment of cross-NHS Wales national and regional working
- work closely with chair and executive peer groups on key strategic issues to help enable delivery of their respective priorities and service change
- implement an events plan, including annual conference, Wellbeing for Wales webinars and member-only sessions to promote thought leadership, which delivers on income targets and involves close working with chair and executive peer groups.

#### 2. Senedd election influencing:

WNHSC will:

- implement the Senedd election plan through external affairs work and engagement with political parties to ensure members' priorities are taken forward into party manifestos and the new programme for government, improvement is delivered, and there is a greater understanding of the Welsh Confederation.

### NICON (Northern Ireland)

NICON received strong member support to deliver a new, expanded mandate to support the HSC system in the challenges ahead. Reflecting this renewed mandate, NICON will strengthen its positioning within the system through focusing on the following key areas, to ensure NICON's continued stability, growth and development:

- Continuing to build trust with the Department, particularly following the appointment of the new interim Permanent Secretary.
- Working on a set of proposals, developed by NICON's director, to support this mandate. The work will include support for key system transformation initiatives, such as work on the public narrative, development of provider collaboratives, reviewing and improving commissioning arrangements, and a potential new primary care offering.
- Continuing to support leadership development, with Julia Simon replacing Mike Farrar as lead on this work.
- Strengthening NICON's system voice and influencing role by building on the momentum of increased media presence, renewing the secondment of a NICON spokesperson one day a week, and continuing to invest in informing the public narrative.
- Strengthening and connecting groups to ensure line of sight for leaders, supporting systems thinking and collaboration.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

- Strengthening relationships with associate members and proactively tapping into their expertise via plans to expand membership and improve outreach with new, quarterly engagement sessions.
- Improving cross-Confed working arrangements with England and Wales.

#### Improvement and leadership development

We are developing a central function to support and lead our priority to grow work around improvement and leadership development. This will help us to coordinate, standardise and boost the quality of design and delivery of offers in this space, as well as hold and develop influencing messaging and policy lines across teams. This will also become the home of our methodologies, tools, processes and how we evaluate and learn as an organisation.

Our work on improvement and leadership centres on supporting and developing strong leaders able to lead complex change at scale and enabling them through evidenced approaches and methodologies that can be adopted to deliver change across contexts.

The central function will support projects aligned and delivered within the priority areas set out above in addition to a few additional cross-cutting offers that play to our USPs as an organisation:

- System-level improvement support across strategy development and mobilisation, peer learning, and leadership development for teams across contexts, underpinned by methodology developed with our expert partners (Q Community) and the sector.
- At-scale change as covered in other areas such as work and health, and accelerating scale and spread through best practice sharing on national policy priorities by supporting the AZ Change Academy.
- Specialist support through offers delivered to employers, such as job evaluation, EDI leadership development programmes and support for comms leads.
- Influencing the implementation of the ten-year plan and development of leadership support and improvement approaches for the sector.

#### Commercial activity

We are well on track for NHS ConfedExpo 2025, our fourth annual conference and exhibition in partnership with NHS England, with the exhibition and all partnership opportunities being sold nine weeks ahead of the event. We are also working across the organisation to connect our strategic policy work with industry partners who will both co-fund but also co-create this work to support members. We start the year in a strong position, with nearly £800,000 funding secured or out to proposal.

#### Structure, governance and management

The charity is a company limited by guarantee and was incorporated on 23 January 2002. The charity's latest articles of association and byelaws were adopted at a general meeting of members on 16 June 2021.

The charity has a subsidiary called The NHS Confederation (Services) Company Limited incorporated as a company limited by guarantee (company number: 05252407).

#### About us

The NHS Confederation is an independent membership body. Membership is open to any statutory NHS or health and social care service organisation within the UK, and any other health or social care body that is approved by the board of

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

trustees. Our membership is drawn from the full breadth of organisations that oversee, commission and provide healthcare services in England, Wales and Northern Ireland, including acute and community trusts, integrated care systems, mental health trusts, independent providers and statutory NHS bodies in Northern Ireland and Wales. We also represent ambulance trusts through the Association of Ambulance Chief Executives.

The NHS Confederation helps its members commission and deliver high-quality, patient-focused care for the public by enabling them to learn from each other, acting as their public voice and the voice of the whole healthcare system and helping to shape the system in which they operate. We do this by providing strong voices for our members through the different networks and devolved jurisdictions that form the NHS Confederation, including the Acute & Community Network, the Mental Health Network, the Primary Care Network, the Integrated Care Systems Network, the Welsh NHS Confederation, and the Northern Ireland Confederation for Health and Social Care.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services. We uphold our duty of public benefit by being an outstanding membership organisation that brings together and speaks on behalf of organisations that plan, commission, and provide NHS services in England, Northern Ireland and Wales.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit as outlined here.

#### **Board of trustees**

The charity's existing articles of association allow for a board size of no less than 3 and no more than 15 trustees.

Following a change to the NHS Confederation's articles and byelaws in June 2021, the board is able to appoint nominated trustees from networks and devolved jurisdictions, and co-opt additional trustees for their skills and experience, provided that the board size does not exceed 15. The trustee nomination and appointment system as set out in the byelaws took effect from July 2022. The changes in June 2021 also confirmed that the trustees are the only members of the charity ("Company Law Members") and any member decision required under company law will be reserved for Company Law Members.

#### **Recruitment of trustees**

During the financial year, we recruited one new Trustee and Vice Chair to the board. This Trustee and Vice Chair was recruited through a competitive recruitment process, with advertisement posted on our website and circulated on different channels.

#### **Induction of new trustees**

New trustees have induction meetings with the board chair, the CEO, and relevant members of the senior management team. Inductions are tailored as per requirements of the trustees and their prior knowledge or engagement with NHS Confederation prior to appointment. From time to time, lawyers or other advisers are invited to attend board meetings to update trustees on charity governance issues and remind the board of their legal and fiduciary duties.

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025****Strategic report****Trustees**

The following trustees, who are also the directors of the charity for the purpose of company law, served during the year and up to the date the financial statements were signed.

Lord Victor Adebawale, Chair

Prof Joseph Harrison

Nanda Ratnavel

Valerie Morton

Dame Marie Gabriel

Dr Pramit Patel

Dame Jackie Daniel

Ifti Majid (resigned 27 March 2025)

Dr Peta Foxall, Senior Independent Trustee

Emma Woollett (transferred to serve as an Independent Trustee for the remainder of their term)

Fiona Edwards (resigned 27 March 2025)

Paul Davies

Jonathan Patton

Jonathan Morgan

Foluke Ajayi (appointed 27 March 2025)

**Attendance of trustees at NHS Confederation board meetings**

The board of trustees formally met on 16 May 2024, 25 July 2024, 3 October 2024, 5 December 2024 and 27 March 2025. The attendance record from formal board meetings is as shown below.

| Name                                       | Attendance |
|--|------------|
| Lord Victor Adebawale, Chair               | 5/5        |
| Prof Joseph Harrison                       | 3/5        |
| Nanda Ratnavel                             | 4/5        |
| Valerie Morton                             | 5/5        |
| Dame Marie Gabriel                         | 5/5        |
| Dr Pramit Patel                            | 4/5        |
| Dame Jackie Daniel                         | 5/5        |
| Ifti Majid (resigned on 27 March 2025)     | 2/5        |
| Dr Peta Foxall, Senior Independent Trustee | 5/5        |
| Emma Woollett                              | 4/5        |
| Fiona Edwards (resigned on 27 March 2025)  | 2/5        |
| Paul Davies                                | 5/5        |
| Jonathan Patton                            | 4/5        |
| Jonathan Morgan                            | 4/5        |
| Foluke Ajayi (appointed on 27 March 2025)  | 1/1        |

**Scheme of delegation**

A scheme of delegation lays out trustees' responsibilities and those delegated to the board's subcommittees, senior management and staff. This, together with a full set of operational policies and procedures, determines the conduct of senior management and other employees.

**THE NHS CONFEDERATION**

**TRUSTEES’ REPORT (INCLUDING DIRECTORS’ REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**Committees of the board**

The board had three sub-committees in 2024/25: the audit and risk committee, the remuneration committee, and the finance and operations committee.

The audit and risk committee is comprised of two trustees and two independent members and is responsible for advising the board on the charity's annual accounts, including compliance with statutory and other legal requirements, the oversight of risk and the associated control structure, and for managing the relationship with internal and external auditors.

Audit and risk committee attendance record

|   |     |
|---|-----|
| Nanda Ratnavel, Chair of Audit and Risk Committee | 5/5 |
| Mark Stevenson, Independent Committee Member      | 4/5 |
| Peta Foxall, Trustee Committee Member             | 5/5 |
| Weiyen Hung, Independent Committee Member         | 5/5 |

The remuneration committee is comprised of three trustees. It is responsible for determining the executive pay framework and agreeing specific recommendations relating to executive pay; determining the policy for and scope of the annual cost-of-living or performance-related award for all NHS Confederation staff, and ensuring that application of this remuneration policy is equitable, fair and transparent; ensuring that contractual terms on termination and any payments made are fair to the individual and the organisation and that failure is not rewarded; and reviewing remuneration trends across the organisation.

Remuneration committee attendance record

|   |     |
|---|-----|
| Valerie Morton, Chair of Remuneration Committee | 3/3 |
| Prof Joseph Harrison, Trustee Committee Member  | 3/3 |
| Peta Foxall, Trustee Committee Member           | 2/3 |

The finance and operations committee is comprised of three trustee members. Its remit is to give the board a closer and clearer understanding of the charity's core financial and operational processes, while ensuring the regular review of its financial performance and delivery of infrastructure projects. The committee also advise the board on the charity's investment strategy. To ensure that the work of the finance sub-committees is aligned, the chair of the audit and risk committee is also a member of the finance and operations committee.

Finance and operations committee attendance record

|  |     |
|--|-----|
| Nanda Ratnavel, Trustee Committee Member/Chair of Audit & Risk Committee | 5/5 |
| Emma Woollett, Trustee   | 4/5 |
| Paul Davies, Trustee/Chair of the Committee                              | 5/5 |

**Network and country boards**

In accordance with the existing articles of association and scheme of delegation, the board delegates specific powers to the boards of the networks and countries, which entitles them to manage their own affairs subject to the reasonable requirement of the trustees.

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025****Pensions and remuneration package**

The organisation operates three pension schemes.

The organisation operates a Scottish Widows salary exchange defined contribution pension scheme. The organisation contributes 6 per cent with staff contributing a minimum of 3 per cent. For a small number of staff who were in the scheme prior to auto enrolment in 2012, the organisation contributes 9 per cent with staff contributing a minimum of 6 per cent. There are also a range of other benefits available to all employees including flexible working; non-contributory life assurance cover; childcare vouchers and a cycle-to-work scheme (via a salary sacrifice scheme).

The NHS Confederation (through a direction body agreement) maintains access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Schemes for staff who are recruited from these sectors (or are employed on protected terms) and already contribute to these defined benefit schemes. The organisation contributes 14.38 per cent to the NHS Pension Scheme and 28.97 per cent to the Civil Service Scheme. We currently have 43 staff who are on the NHS Pension Scheme and 6 in the Civil Service Scheme.

**Chief executive and director pay**

The remuneration committee is responsible for setting the pay for the chief executive and directors. A framework based on the Korn Ferry job evaluation methodology is used to determine the range of director and chief executive pay and total remuneration is agreed by the remuneration committee.

**Related parties**

Marie Gabriel, a trustee, is remunerated through monthly payments for their term as chair of the Race and Health Observatory. This was established in accordance with the organisation's trustee remuneration policy where the board of trustees, excluding the trustee in question, must satisfy themselves that the payment is justified and compliant with Charity Commission regulations.

The NHS Confederation is the sole controller of the trading subsidiary The NHS Confederation (Services) Company Limited, registered company number 05252407. The company exists to provide a range of non-charitable activities on behalf of the NHS Confederation, including:

- organising and delivering the NHS Confederation annual conference and exhibition
- a range of other conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties
- delivering leadership development and improvement services, primarily within the NHS

The directors of the subsidiary company are Emma Woollett (chair of the subsidiary board and charity trustee), Matthew Taylor (subsidiary board director and CEO of the charity), John O'Brien (subsidiary board director and commercial director of the charity), Nikki Barraclough (subsidiary board director and director of finance and IT at the charity), Paul Davies (trustee and chair of the finance and operations committee), Zoe Bedford (non-executive director of the subsidiary) and Philip Kenmore (non-executive director of the subsidiary). The NHS Confederation has no financial or controlling interest in any other organisation.

Certain costs incurred by the charity are recharged to the subsidiary, reflecting an estimation of their usage. The methodology for this recharge is agreed by both parties as part of the budget-setting process each year, or is set out in the Resource Sharing Agreement.

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**Trustee remuneration**

In accordance with the articles of association and consent from the Charity Commission, the NHS Confederation chair/ interim chair is remunerated at £50,000 per annum for eight to ten days per month. The senior independent trustee is responsible for liaising with the other trustees to set the annual objectives for the chair and for reviewing performance annually.

As detailed above in related parties, Marie Gabriel, another trustee, is remunerated for their term as chair of the Race and Health Observatory.

No other trustees received remuneration for their services.

In 2024/25 the total expenses incurred by eleven (2024: seven) of our trustees in relation to travel, accommodation, and subsistence costs while on NHS Confederation business was £4,482 (2024: £3,590).

**Governance review and Charity Governance Code**

Trustees conducted the review of the Terms of References of the various Committees that concluded in March 2025. Overall, the findings and update included ensuring uniformity in Committees' membership and clarification around the role of each of the Committees.

**Data protection**

The NHS Confederation is fully committed to meeting requirements of the Data Protection Act 2018 and the UK General Data Protection Regulation 2021. Mandatory data protection training for staff and trustees is delivered through an e-learning module and staff are encouraged to attend one of the quarterly run virtual training sessions via Teams. Compliance reports on data breaches and subject access requests are provided to the audit and risk committee at each of its meetings.

**Risk management and board assurance**

The trustees of the NHS Confederation are aware of their responsibilities relating to risk management under the requirements of the Statement of Recommended Practice for Accounting and reporting by Charities (SORP).

The trustees are responsible for considering the strategic risks, which are documented on a risk register that evaluates the residual risk (post-mitigating action) against the risk appetite set by the trustees. The register also contains the board assurance framework, outlining three lines of 'defence' in providing assurance. Trustees revisit and set the risk appetite annually.

The register and the mitigating actions are reviewed at every meeting of the audit and risk committee to ensure the actions are having the desired impact and that the risk is therefore at an acceptable level. At each meeting, the committee conducts a 'deep dive' into a risk area to gain assurance that the risk is correctly understood, and the mitigations are proportionate. At an operational level, operational risks are considered within departments and mitigated against. Trustees have set a clear risk policy, revised in March 2025, which is underpinned by risk management practices across the organisation. In September 2024 external organisation, Forvis Mazars conducted an internal audit of our risk management approach and provided a moderate opinion.

**THE NHS CONFEDERATION**

**TRUSTEES’ REPORT (INCLUDING DIRECTORS’ REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

The risk register outlines 17 strategic risks, with the principal risks being summarised as:

| Risk  | Mitigation and assurance  |
|---|---|
| Loss of, or significant reduction in income to the charity – either through contracts, membership income or success in commercial ventures                                      | Effective relationship and contract management<br>Implementation of commercial and income strategy to develop new income streams<br>Formal contract management meetings<br>Governance and reporting on programmes<br>Regular financial forecasting<br>Governance-level oversight of all key income activity |
| Reduced influence in achieving positive outcomes for objectives - inc inability to respond to policy changes, ineffective representation of our members, or changes politically | Effective relationship management and member engagement<br>Membership insights and effective renewal management. Clear prioritisation of our policy work and where we can add best value. Broad engagement of political parties, government departments and key stakeholders.                               |
| Reduced reputation, leading to reduced impact- either through a non-compliance issue, recruitment and retention of staff, ineffective management or cyber attack                | Clear compliance programme in place, clear governance and project management frameworks. Positive staff engagement centred around our values and behaviours.  |

**How directors have engaged with staff**

**Communication**

Once a month we have an all-staff briefing for all employees at the NHS Confederation, this briefing is chaired by the Chief Executive, or in their absence another member of the group executive.

We hold an in-person staff conference once a year. Usually, the day will include a session which is focused on directors/group executive, with the Chief Executive addressing all staff and holding a Q&A session.

All staff and directors have access to an internal intranet, where corporate news is shared on a regular basis to inform staff of important things happening across the organisation, such as policy changes, pay updates, corporate events etc. Finance updates are shared both on the intranet and at all-staff briefings.

Throughout April and May 2025, Matthew Taylor and other members of the Group Executive are delivering sessions to all staff to update them on the Confed’s strategy and vision. The purpose of these sessions is to bring staff along and help them understand the journey the organisation is on, the shifts and changes we are making and why, what our focus is and what this means to them as individuals. These sessions also provide opportunity for two-way dialogue between the group executive and staff.

**Trade unions**

The NHS Confederation recognises two trade unions for the purpose of collective bargaining and any contractual employment policy matters. Our recognised unions are Unite and Unison.

The Joint Negotiating Committee is the formal meeting during which negotiations between management at the NHS Confederation and trade union representatives take place. The meeting is chaired by the Deputy Chief Executive and the

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

---

Director of People and Governance is the vice chair. Meetings are held at least quarterly and more frequently when needed.

#### Staff engagement

At the NHS Confederation we have a staff engagement group. This group is formed of staff who represent different staff groups from across the organisation, and they meet quarterly with the Chief Executive. The purpose of the group is to provide a platform for informal, open dialogue between the Chief Executive and staff to support improved engagement.

Every two years the NHS Confederation runs a staff engagement survey. It is designed to capture all aspects of our employees' experience working here and what it feels like to work at the Confederation. It also gives us a picture of how we are progressing between each survey – capturing data on purpose, wellbeing, reward, diversity, equality and inclusion, sustainability, and culture.

#### Disabled policy

The NHS Confederation recruitment policy and processes are committed to ensuring that legislative and equality responsibilities are met, the process will be fair and transparent at every stage and ensure equality of opportunity for all applicants and all appointment decisions can be evidenced as free from any form of bias. This includes the following:

- Advert wording must be inclusive and avoid bias to prevent the exclusion of any individuals with protected characteristic
- The most suitable applicants based on the essential criteria for the role. A minimum of two people (the panel) is required to shortlist, independent of each other, to reduce the possibility of bias
- Blind shortlisting where information to identify protected characteristics are hidden from shortlisting panel as part of our EDI recruitment practice.
- Representative panel – mixed panel with 1 panel member from a protected characteristic
- Reasonable adjustment - In accordance with the Equality Act 2010, all candidates are asked to advise if there are any arrangements or reasonable adjustments that could be made to allow them to participate fully in the selection process. Reasonable adjustments in place for applicants such as providing Interview questions and assessments in advance for Neurodiverse candidates or extra time if required.
- All offers of employment are subject to a health questionnaire to ensure the candidate is fit to fulfil all the requirements of the role and to identify any reasonable adjustments which may be required.

The Confederation has many supportive measures in place for staff who become disabled such as our health and wellbeing hub, manager tools to support their team members, access to EAP, counselling and Occupational health and access to the 24/7 spectrum health app. They would also be supported through our managing health and wellbeing policy and absence policy which supports individuals with time off for appointments and any disability related absence is not accounted for when looking at time off and absence triggers.

Our Disability Inclusion Group is a member of Purple Space, a development hub for disabled employees. There is ongoing training and support for staff such as EDI training, neurodiversity week and a health & Wellbeing hub with access to Employee Assistance and wellbeing app. Neurodiversity training for all managers/ staff provided during neurodiversity training week included supporting Comms and blogs to raise awareness about making adjustments to support staff with disabilities in collaboration with Disability Inclusion Group. Disability essentials training was launched for all staff.

All staff with a disability have equal opportunities to access training, career development and promotion, which is supported through the Employee Impact and continuous improvement policy.

**THE NHS CONFEDERATION****TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

**Finance review****Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the 12-month forward-looking cash flow, and the annual review of the three-year plan. The most recent version of the three-year plan estimated an overall deficit position of £0.7m for 2025/26, however the budgeted position came out as a deficit of £1.3m due to various spending from reserves that was approved by Trustees at budget setting. We have sufficient reserves to cover this planned deficit, with expectation that we will achieve breakeven operating position for 2026/27 onwards.

Our membership income remains robust and commercial income opportunities are budgeted to increase as our conference, event and income diversification activity increases.

A significant contract (~£8m per year) was put out to tender during 2024/25, with the winning bidder taking the new contract on from 1<sup>st</sup> January 2026. Should we fail to win this tender, we would need to change the structure of the organisation to reduce costs in line with the reduced income. Any changes would be implemented during 2025/26 onwards.

**Income and expenditure**

Income for the year increased by £0.2 million to £24.0 million (2024: £23.8 million) due to increased income across our membership and commercial income streams. The Charity does not carry out significant fundraising activities and there have been no complaints in the year.

Expenditure for the year was £24.6 million (2024: £24.7 million). The increase is due to delivering more events, and investment in our pay structure.

After gains on our investments of £0.1m (2024: gain of £0.5m), the operating deficit for the year was £0.6 million (2024: deficit of £0.4 million).

**Reserves policy**

The target for free reserves continues to be based on the closure costs for the organisation alongside some ringfenced amounts to cover known contract risk, the calculation of which is reviewed annually by trustees. The target figure for reserves is £6.2 million. At 31 March 2025, the total funds balance stood at £8.5 million (2024: £9.1 million), with the amount of free reserves (those not represented by fixed assets) standing at £8.4 million (2024: £9 million). This is higher than the range stated in our reserves policy. The 2025/26 budget is a deficit of £1.3 million, which includes spending of £0.9 million on high impact one-off projects.

This high reserves balance needs to be viewed in light of the upcoming financial risk of potential loss of contract income linked to the significant contract going out to tender in 2024/25, alongside other contract income risk and the increasingly difficult financial context for the NHS, which could impact our membership income. It is likely some reserves will be needed to facilitate a smooth change process in the event that funding is reduced. The reserves target currently includes some contract risk provision, so this target will reduce when it is reviewed in September 2025. At this point, further consideration will be given as to how best to use any remaining reserves balance to bring it more in line with policy.

**Investment policy**

The trustees determine that the objective of holding the investment portfolio is to secure a balance between income and long-term capital growth, achieving total returns in real terms over a five-to-seven-year timeframe. The portfolio is currently managed by Sarasin and Partners LLP, a firm of investment managers, and the funds continue to be held in the Sarasin Climate Active fund. The finance and operations committee continues to review the investment policy and objectives and performance of the investment portfolio.

**THE NHS CONFEDERATION**

**TRUSTEES’ REPORT (INCLUDING DIRECTORS’ REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

As a charity that is closely associated with the NHS and health generally, careful consideration is given to ethical factors in the choice of investments. Where it is felt that an investment conflicts with the charity’s objective of promoting better healthcare, no investment will be made. For example, tobacco companies. Similarly, investments will not be made in any companies involved in controversial industries such as armaments, gambling, alcohol, or pornography. Discretion may be exercised where the core business of a company is consistent with our ethical position. For example, a supermarket selling a wide range of products, including tobacco. The investment fund manager is tasked with providing regular updates to the finance and operations committee on its compliance with the agreed ethical guidelines.

The investment portfolio achieved a gain of £0.1 million for 2024/25 compared with a gain of £0.5m in 2023/24. The investments generated £225,706 of investment income in the year (£222,247 in 2023/24). At the end of this financial year, the investment portfolio was valued at £6.93 million (2024: £6.87 million).

The trustees recognise and accept the risks involved in making investments in order to generate capital growth to protect the funds against inflation, as well as providing a modest income.

**Qualifying third party indemnity provisions**

The charitable company has made qualifying third party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

**Streamlined Energy and Carbon Reporting (SECR) Statement**

As a large company, we are required to report on energy and carbon data in our annual report, as per the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The table below shows the energy consumption and associated emissions for the year ended 31<sup>st</sup> March 2025. Note that there is no prior year comparison data as this is the first year we have fallen under these requirements. Emission factors are sourced from UK Government GHG Conversion Factors for Company Reporting 2024.

|  | 1 April 2024 to 31 March 2025 |
|--|-------------------------------|
| <u>Energy consumption used to calculate emissions</u>  |                               |
| - Purchased electricity  | 106,829 kWh                   |
| - Business travel in employee-owned vehicles where company has reimbursed a mileage claim            | 23,441 kWh                    |
| <u>Scope 2 emissions in tCO<sub>2</sub>e</u>   |                               |
| - Purchased electricity  | 18.65 tCO <sub>2</sub> e      |
| <u>Scope 3 emissions in tCO<sub>2</sub>e</u>   |                               |
| - Business travel in employee-owned vehicles where company has reimbursed a mileage claim            | 5.46 tCO <sub>2</sub> e       |
| Total gross tCO <sub>2</sub> e based on above  | 24.11 tCO <sub>2</sub> e      |
| Intensity ratio tCO <sub>2</sub> e per staff member (based on average headcount for the year of 272) | 0.09                          |

From 2023/24, we have worked with an external environmental consultant to calculate our operational carbon footprint each year so we can understand all of our emissions and wider impact. Carbon reduction targets have been set with the aim of aligning with the goal of the NHS to achieve net zero by 2040. We have a staff group called the Sustainability Group which aims to engage with staff and increase awareness of our environmental impact, alongside sharing tips and best practice to live more sustainably outside of work. From January 2025, we moved to a smaller office space in Leeds to

**THE NHS CONFEDERATION**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2025**

---

reduce office related emissions. Our conference centre space, Horizon, is working towards achieving the Green Meetings accreditation.

**Auditor**

In accordance with the existing articles of association, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put to a General Meeting.

**Statement of disclosure to auditor**

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each trustee has taken all the necessary steps to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The trustees' report is prepared under the Charities Act 2011, which also contains all information required in a directors' report by the Companies Act 2006 and the incorporated strategic report prepared under the Companies Act 2006, were approved by the board of trustees and signed on their behalf by:

DocuSigned by:  
*Lord Victor Adebowale*  
Signed: .....9E71B691D885#A6.....

Name: Lord Victor Adebowale  
Trustee

07-Aug-2025 | 14:15 BST  
Date: .....

## THE NHS CONFEDERATION

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

---

The trustees, who are also directors of the NHS Confederation for the purpose of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NHS CONFEDERATION**

---

**Opinion**

We have audited the financial statements of The NHS Confederation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (CONTINUED)**

---

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (CONTINUED)**

---

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group and parent charitable company through discussions with management and directors, and from our knowledge and experience of this organisation;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- Making enquiries of management and directors as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risks of fraud through management bias and override controls, we:

- Performed analytical procedures to identify any unusual or unexpected variances;
- Tested journal entries to identify unusual transactions;

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (CONTINUED)

---

- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:


- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
2C6B962CB9674C7...  
**Laura Mashed (Senior statutory auditor)**  
for and on behalf of  
**BHP LLP**  
Statutory Auditor  
Chartered Accountants  
1st Floor, Mayesbrook House  
Lawnswood Business Park  
Redvers Close  
Leeds  
LS16 6QY

Date: 07-Aug-2025 | 15:51 BST

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

|  | Note | Unrestricted funds<br>2025<br>£ | Restricted funds<br>2025<br>£ | Total funds<br>2025<br>£ | Total funds<br>2024<br>£ |
|--|------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income from:</b>                                    |      |                                 |                               |                          |                          |
| Charitable activities                                  | 4    | 17,383,303                      | 495,949                       | 17,879,252               | 18,481,502               |
| Other trading activities                               | 5    | 5,506,709                       | -                             | 5,506,709                | 4,743,165                |
| Investments  | 6    | 565,036                         | -                             | 565,036                  | 563,685                  |
| <b>Total income</b>                                    |      | <b>23,455,048</b>               | <b>495,949</b>                | <b>23,950,997</b>        | <b>23,788,352</b>        |
| <b>Expenditure on:</b>                                 |      |                                 |                               |                          |                          |
| Raising funds  | 7    | 4,532,773                       | -                             | 4,532,773                | 4,077,076                |
| Charitable activities                                  | 8    | 19,617,123                      | 495,949                       | 20,113,072               | 20,629,059               |
| <b>Total expenditure</b>                               |      | <b>24,149,896</b>               | <b>495,949</b>                | <b>24,645,845</b>        | <b>24,706,135</b>        |
| <b>Net expenditure before net gains on investments</b> |      | <b>(694,848)</b>                | <b>-</b>                      | <b>(694,848)</b>         | <b>(917,783)</b>         |
| Net gains on investments                               |      | 48,966                          | -                             | 48,966                   | 503,263                  |
| <b>Net movement in funds</b>                           |      | <b>(645,882)</b>                | <b>-</b>                      | <b>(645,882)</b>         | <b>(414,520)</b>         |
| <b>Reconciliation of funds:</b>                        |      |                                 |                               |                          |                          |
| Total funds brought forward                            |      | 9,126,254                       | -                             | 9,126,254                | 9,540,774                |
| Net movement in funds                                  |      | (645,882)                       | -                             | (645,882)                | (414,520)                |
| <b>Total funds carried forward</b>                     |      | <b>8,480,372</b>                | <b>-</b>                      | <b>8,480,372</b>         | <b>9,126,254</b>         |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All income and expenditure derive from continuing activities.

The notes on pages 35 to 61 form part of these financial statements.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**  
REGISTERED NUMBER: 04358614

CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2025

|  | Note | 2025<br>£               | 2024<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                            |      |                         |                         |
| Intangible assets                              | 13   | 21,796                  | 41,960                  |
| Tangible assets                                | 14   | 67,856                  | 80,760                  |
| Investments                                    | 15   | 6,930,122               | 6,871,550               |
|  |      | <u>7,019,774</u>        | <u>6,994,270</u>        |
| <b>Current assets</b>                          |      |                         |                         |
| Debtors  | 16   | 10,677,328              | 6,580,993               |
| Cash at bank and in hand                       |      | 4,771,490               | 8,145,154               |
|  |      | <u>15,448,818</u>       | <u>14,726,147</u>       |
| <b>Current liabilities</b>                     |      |                         |                         |
| Creditors: amounts falling due within one year | 17   | (13,775,639)            | (12,300,716)            |
|  |      | <u>1,673,179</u>        | <u>2,425,431</u>        |
| <b>Net current assets</b>                      |      |                         |                         |
|  |      | <u>8,692,953</u>        | <u>9,419,701</u>        |
| <b>Total assets less current liabilities</b>   |      |                         |                         |
| Provisions for liabilities                     | 18   | (212,581)               | (293,447)               |
|  |      | <u>8,480,372</u>        | <u>9,126,254</u>        |
| <b>Total net assets</b>                        |      |                         |                         |
| <b>Charity funds</b>                           |      |                         |                         |
| Restricted funds                               | 19   | -                       | -                       |
| Unrestricted funds                             | 19   | 8,480,372               | 9,126,254               |
|  |      | <u>8,480,372</u>        | <u>9,126,254</u>        |
| <b>Total funds</b>                             |      |                         |                         |
|  |      | <u><u>8,480,372</u></u> | <u><u>9,126,254</u></u> |

---

**THE NHS CONFEDERATION**

**(A company limited by guarantee)**

REGISTERED NUMBER: 04358614

---

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

*AS AT 31 MARCH 2025*

---

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

*Lord Victor Adebowale*

9E71B691D9554A6...

**Lord Victor Adebowale**

Date: 07-Aug-2025 | 14:15 BST

The notes on pages 35 to 61 form part of these financial statements.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**  
REGISTERED NUMBER: 04358614

CHARITY BALANCE SHEET  
AS AT 31 MARCH 2025

|  | Note | 2025<br>£               | 2024<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                            |      |                         |                         |
| Intangible assets                              | 13   | 21,796                  | 41,960                  |
| Tangible assets                                | 14   | 13,189                  | 80,760                  |
| Investments                                    | 15   | 6,930,122               | 6,871,550               |
|  |      | <u>6,965,107</u>        | <u>6,994,270</u>        |
| <b>Current assets</b>                          |      |                         |                         |
| Debtors  | 16   | 8,214,292               | 5,497,397               |
| Cash at bank and in hand                       |      | 3,483,174               | 5,634,789               |
|  |      | <u>11,697,466</u>       | <u>11,132,186</u>       |
| <b>Current liabilities</b>                     |      |                         |                         |
| Creditors: amounts falling due within one year | 17   | (11,377,900)            | (9,884,225)             |
|  |      | <u>319,566</u>          | <u>1,247,961</u>        |
| <b>Net current assets</b>                      |      |                         |                         |
|  |      | <u>7,284,673</u>        | <u>8,242,231</u>        |
| <b>Total assets less current liabilities</b>   |      |                         |                         |
| Provisions for liabilities                     | 18   | (99,950)                | (213,001)               |
|  |      | <u>7,184,723</u>        | <u>8,029,230</u>        |
| <b>Total net assets</b>                        |      |                         |                         |
|  |      | <u><u>7,184,723</u></u> | <u><u>8,029,230</u></u> |
| <b>Charity funds</b>                           |      |                         |                         |
| Restricted funds                               | 19   | -                       | -                       |
| Unrestricted funds                             | 19   | 7,184,723               | 8,029,230               |
|  |      | <u>7,184,723</u>        | <u>8,029,230</u>        |
| <b>Total funds</b>                             |      |                         |                         |
|  |      | <u><u>7,184,723</u></u> | <u><u>8,029,230</u></u> |

The charity's net movement in funds for the year was £(844,507) (2024 - £(118,773)).

---

**THE NHS CONFEDERATION**

**(A company limited by guarantee)**

REGISTERED NUMBER: 04358614

---

**CHARITY BALANCE SHEET (CONTINUED)**

*AS AT 31 MARCH 2025*

---

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:  
  
9E71B691D9554A6...  
**Lord Victor Adebowale**

Date: 07-Aug-2025 | 14:15 BST

The notes on pages 35 to 61 form part of these financial statements.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

|   | Note | 2025<br>£          | 2024<br>£      |
|---|------|--------------------|----------------|
| <b>Cash flows from operating activities</b>             |      |                    |                |
| Net cash used in operating activities                   | 22   | <b>(3,868,442)</b> | 298,904        |
| <b>Cash flows from investing activities</b>             |      |                    |                |
| Dividends and interest received                         |      | <b>565,036</b>     | 563,685        |
| Proceeds from the sale of tangible fixed assets         |      | <b>9,446</b>       | -              |
| Purchase of tangible fixed assets                       |      | <b>(70,098)</b>    | (4,246)        |
| Proceeds from sale of investments                       |      | <b>9,563</b>       | -              |
| Purchase of investments                                 |      | <b>(19,169)</b>    | (9,358)        |
| <b>Net cash provided by investing activities</b>        |      | <b>494,778</b>     | <b>550,081</b> |
| <b>Change in cash and cash equivalents in the year</b>  |      | <b>(3,373,664)</b> | <b>848,985</b> |
| Cash and cash equivalents at the beginning of the year  |      | <b>8,145,154</b>   | 7,296,169      |
| <b>Cash and cash equivalents at the end of the year</b> | 23   | <b>4,771,490</b>   | 8,145,154      |

The notes on pages 35 to 61 form part of these financial statements

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

**1. General information**

The NHS Confederation is a private limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The NHS Confederation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 Going concern**

The group's results for the year was a deficit of £645,882 (2024: deficit of £414,520). At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan, forecast data and a 12-month, forward-looking cash flow. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable, net of discounts and value added tax.

**Membership subscriptions**

Income is all recognised in the first month of the financial year in which it relates to. Our membership period runs in line with our financial year, April to March.

**Contract income**

Income is recognised based on delivery under the terms of the contract. Where contracts span more than one year, revenue is recognised based on costs incurred or using a percentage of work delivered, whichever method is deemed more appropriate.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**2. Accounting policies (continued)**

**2.3 Income (continued)**

**Investment income**

Income is recognised when the right to receive payment is established.

**Events, sponsorship, exhibition, and delegate income**

Income is recognised at the date of the event.

**Grant income**

Grant income is recognised when the charity has entitlement to the funds and is recorded in accordance with the grant terms.

**Deferred income**

Income invoiced in advance is accounted for as deferred income in the balance sheet and released to the statement of financial activities in the year in which it relates. Deferred income will also arise when work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

**Government grants**

Government grants have been received in the year relating to various projects (see note 4 for more detail). These are recognised in "Income from charitable activities" within income and expenditure in the same period as the related expenditure.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure and the amount can be measured or estimated reliably.

All expenditure is accounted for on an accrual basis and is classified under headings that aggregate all costs related to each category of expenses shown in the statement of financial activities.

Expenditure on charitable activities comprises those costs incurred influencing on behalf of our members, representing NHS organisations on workforce issues, and bringing those organisations and members together to share learning. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, IT, human resources, office accommodation, and governance costs which support the charity programmes and activities. They are allocated based on direct costs of each activity as a percentage of total direct costs.

Expenditure is shown net of VAT but includes any irrecoverable VAT, which is charged against the category of expenses for which it was incurred.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**2. Accounting policies (continued)**

**2.5 Intangible assets and amortisation**

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

|                    |   |                    |
|--------------------|---|--------------------|
| System development | - | 20 % straight line |
|--------------------|---|--------------------|

Intangible assets are derecognised from the balance sheet on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an intangible asset is recognised in net income/(expenditure) for the year.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Individual assets with a value of less than £2,000 are not capitalised but charged to expenditure in the year of purchase.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                              |   |   |
|------------------------------|---|---|
| Fixtures and fittings        | - | Over the term of the lease (up to break clause) |
| Computer and other equipment | - | 33% straight line                               |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**2.7 Investments**

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value (market value) at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

**2.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**2.9 Cash and cash equivalents**

Cash and cash equivalents comprise funds held in current and notice deposit bank accounts.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**2. Accounting policies (continued)**

**2.10 Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade debtors, other debtors, accrued income, amounts due from fellow group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure).

**Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

---

**2. Accounting policies (continued)**

**2.10 Financial instruments (continued)**

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

**Provision for liabilities**

An amount is recognised on the face of the balance sheet for the cost of dilapidations relating to our office spaces and conference centre. This is worked out based on estimated cost per square footage and the total square footage. The provision is reviewed at each reporting date and adjusted to reflect the current best estimate of the settlement amount. Any adjustments to this provision is recognised in net income/(expenditure) for the year.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

**2.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**Multi-employer plans**

The charity participates in two unfunded defined benefit pension schemes for its employees, as outlined in note 25. Both schemes are unfunded schemes backed by the Exchequer, they are therefore treated as defined contribution schemes for accounting purposes and the contributions recognised in the period to which they relate which is in accordance with FRS 102.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

**2. Accounting policies (continued)**

***2.13 Taxation***

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

***2.14 Operating Leases***

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

***2.15 Custodian arrangements***

The charity acts as custodian for the NI Public Sector Chairs forum and also as custodian for the Developing Excellence in Medical Education conference (event date December 2025). Related receipts and subsequent payments are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included in other creditors.

***2.16 Charitable funds***

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 19.

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Impairment of debtors**

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the trustees consider factors including the ageing profile of the debtor. See note 16 for the net carrying amount of the debtors.

**Useful economic lives of intangible and tangible assets**

The annual amortisation charge for intangible assets and the annual depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimated, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See notes 13 and 14 for the carrying amount of the intangible and tangible fixed assets and note 1 for the useful economic lives for each class of assets.

Critical areas of judgment:

**Revenue recognition**

Revenue received during the year for contracts is recognised based on the contract price (net of VAT) and on agreement with the customer that the services have been provided in line with the specification. Where contracts are part completed at the year-end date, revenue is recognised by measuring costs incurred to date and with reference to progress against contract deliverables. In this instance, deferred income arises on agreement with the customer that work may be delivered in the following year.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**4. Income from charitable activities**

|                           | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Restricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> |
|---------------------------|--|--|---------------------------------------|---------------------------------------|
| Membership subscriptions  | 4,574,153                                    | -  | <b>4,574,153</b>                      | 4,763,848                             |
| Contract delivery         | 12,512,915                                   | -  | <b>12,512,915</b>                     | 12,569,161                            |
| Grant income              | -  | 495,949                                    | <b>495,949</b>                        | 285,614                               |
| Training and other income | 296,235                                      | -  | <b>296,235</b>                        | 862,879                               |
|                           | <u>17,383,303</u>                            | <u>495,949</u>                             | <u><b>17,879,252</b></u>              | <u>18,481,502</u>                     |
| Total 2024                | <u>18,195,888</u>                            | <u>285,614</u>                             | <u>18,481,502</u>                     |                                       |

**5. Income from other trading activities**

**Income from non charitable trading activities**

|                                 | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> |
|---------------------------------|--|---------------------------------------|---------------------------------------|
| Publications and AV             | 546  | <b>546</b>                            | 16,159                                |
| Membership subscriptions        | 151,808                                      | <b>151,808</b>                        | 155,653                               |
| Events and partnerships         | 4,395,194                                    | <b>4,395,194</b>                      | 3,777,399                             |
| Conference centre income        | 653,818                                      | <b>653,818</b>                        | 712,901                               |
| Sub-let of surplus office space | -  | -                                     | 24,731                                |
| Other trading income            | 305,343                                      | <b>305,343</b>                        | 56,322                                |
|                                 | <u>5,506,709</u>                             | <u><b>5,506,709</b></u>               | <u>4,743,165</u>                      |
| Total 2024                      | <u>4,743,165</u>                             | <u>4,743,165</u>                      |                                       |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**6. Investment income**

|                                | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> | Total<br>funds<br>2024<br>£ |
|--------------------------------|--|---------------------------------------|-----------------------------|
| Income from listed investments | 225,706                                      | <b>225,706</b>                        | 222,247                     |
| Bank interest receivable       | 339,330                                      | <b>339,330</b>                        | 341,438                     |
|                                | <u>565,036</u>                               | <u><b>565,036</b></u>                 | <u>563,685</u>              |
| Total 2024                     | <u>563,685</u>                               | <u>563,685</u>                        |                             |

**7. Expenditure on raising funds**

*Fundraising trading expenses*

|                               | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> | Total<br>funds<br>2024<br>£ |
|-------------------------------|--|---------------------------------------|-----------------------------|
| Membership subscriptions      | 19,686                                       | <b>19,686</b>                         | 17,979                      |
| Events and partnerships       | 3,498,000                                    | <b>3,498,000</b>                      | 2,982,596                   |
| Conference centre             | 700,509                                      | <b>700,509</b>                        | 706,174                     |
| Other administrative expenses | 314,578                                      | <b>314,578</b>                        | 370,327                     |
|                               | <u>4,532,773</u>                             | <u><b>4,532,773</b></u>               | <u>4,077,076</u>            |
| Total 2024                    | <u>4,077,076</u>                             | <u>4,077,076</u>                      |                             |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**8. Analysis of expenditure on charitable activities**

*Summary by fund type*

|                               | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Restricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>2025<br/>£</b> | <b>Total<br/>2024<br/>£</b> |
|-------------------------------|--|--|-----------------------------|-----------------------------|
| Membership subscriptions      | 5,995,780                                    | -  | <b>5,995,780</b>            | 6,372,602                   |
| Contract delivery             | 13,409,338                                   | -  | <b>13,409,338</b>           | 13,568,820                  |
| Grants                        | -  | 495,949                                    | <b>495,949</b>              | 285,617                     |
| Training and other activities | 212,005                                      | -  | <b>212,005</b>              | 402,020                     |
|                               | <u>19,617,123</u>                            | <u>495,949</u>                             | <u><b>20,113,072</b></u>    | <u>20,629,059</u>           |
| Total 2024                    | <u>20,343,445</u>                            | <u>285,614</u>                             | <u>20,629,059</u>           |                             |

**9. Analysis of expenditure by activities**

|                             | <b>Activities<br/>undertaken<br/>directly<br/>2025<br/>£</b> | <b>Support costs<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> |
|-----------------------------|--|-------------------------------------|---------------------------------------|---------------------------------------|
| Membership subscriptions    | 4,916,908  | 1,078,872                           | <b>5,995,780</b>                      | 6,372,602                             |
| Contract delivery           | 10,996,482   | 2,412,856                           | <b>13,409,338</b>                     | 13,568,820                            |
| Grants                      | 495,949  | -                                   | <b>495,949</b>                        | 285,617                               |
| Training and other delivery | 173,857  | 38,148                              | <b>212,005</b>                        | 402,020                               |
|                             | <u>16,583,196</u>  | <u>3,529,876</u>                    | <u><b>20,113,072</b></u>              | <u>20,629,059</u>                     |
| Total 2024                  | <u>17,460,733</u>  | <u>3,168,326</u>                    | <u>20,629,059</u>                     |                                       |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|                        | <b>Total<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> |
|------------------------|---------------------------------------|---------------------------------------|
| Management             | <b>434,875</b>                        | 318,323                               |
| Governance costs       | <b>334,464</b>                        | 325,973                               |
| Finance                | <b>607,429</b>                        | 439,460                               |
| Information technology | <b>778,718</b>                        | 747,044                               |
| Human resources        | <b>527,273</b>                        | 446,020                               |
| Accommodation          | <b>847,117</b>                        | 891,506                               |
|                        | <b>3,529,876</b>                      | 3,168,326                             |

Support costs are allocated based on direct costs of each activity as a percentage of total direct costs.

**10. Net income/(expenditure)**

This is stated after charging:

|  | <b>2025</b> | <b>2024</b> |
|--|-------------|-------------|
| Fees payable to the company's auditor and its associates in respect of both audit and non-audit services are as follows: | <b>£</b>    | <b>£</b>    |
| - Audit  | 43,600      | 40,185      |
| - Other non-audit services (tax compliance services)   | 900         | 3,848       |
| - Other non-audit services (accountancy)   | 4,100       | -           |
| Depreciation of owned tangible fixed assets  | 72,809      | 90,629      |
| Amortisation of intangible fixed assets  | 20,164      | 20,164      |
| Operating lease charges  | 475,450     | 546,652     |
| Government grant income  | 167,116     | 151,932     |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**11. Staff costs**

|  | <b>Group<br/>2025</b> | Group<br>2024 | <b>Company<br/>2025</b> | Company<br>2024 |
|--|-----------------------|---------------|-------------------------|-----------------|
|  | £                     | £             | £                       | £               |
| Wages and salaries                                   | <b>13,717,035</b>     | 12,990,653    | <b>13,717,035</b>       | 12,990,653      |
| Social security costs                                | <b>1,478,016</b>      | 1,392,641     | <b>1,478,016</b>        | 1,392,641       |
| Contribution to defined contribution pension schemes | <b>1,101,238</b>      | 1,057,481     | <b>1,101,238</b>        | 1,057,481       |
|  | <b>16,296,289</b>     | 15,440,775    | <b>16,296,289</b>       | 15,440,775      |

In addition, total expenditure includes seconded and agency staff of £431,264 (2024: £443,445)

During the year, termination payments were paid to no employees (2024: two employees) totalling £nil (2024: £14,946)

The average number of persons employed by the charity during the year was as follows:

|           | <b>Group<br/>2025</b> | Group<br>2024 |
|-----------|-----------------------|---------------|
|           | No.                   | No.           |
| Employees | <b>273</b>            | 265           |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                                 | <b>Group<br/>2025</b> | Group<br>2024 |
|---------------------------------|-----------------------|---------------|
|                                 | No.                   | No.           |
| In the band £60,001 - £70,000   | <b>26</b>             | 18            |
| In the band £70,001 - £80,000   | <b>16</b>             | 14            |
| In the band £80,001 - £90,000   | <b>11</b>             | 9             |
| In the band £90,001 - £100,000  | <b>5</b>              | 4             |
| In the band £100,001 - £110,000 | <b>5</b>              | 3             |
| In the band £110,001 - £120,000 | <b>2</b>              | 3             |
| In the band £120,001 - £130,000 | <b>4</b>              | 2             |
| In the band £130,001 - £140,000 | <b>2</b>              | 2             |
| In the band £140,001 - £150,000 | <b>-</b>              | 2             |
| In the band £160,001 - £170,000 | <b>1</b>              | -             |
| In the band £180,001 - £190,000 | <b>1</b>              | 1             |
| In the band £190,001 - £200,000 | <b>1</b>              | 1             |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**12. Trustees' remuneration and expenses**

During the year, the NHS Confederation chair Victor Abelowale was remunerated £50,000 (2024: £50,000) in accordance with the articles of association and the permission granted by the Charity Commission. Marie Gabriel, a trustee, was remunerated £20,000 (2024: £20,000) for their work as chair of the Race and Health Observatory.

Expenses incurred on behalf of the charitable company and reimbursed to eleven trustees (2024: seven trustees) or paid directly to third parties during the year amounted to £4,482 (2024: £3,590), relating to travel, accommodation and subsistence costs.

**13. Intangible assets**

***Group and Company***

|                       | System<br>development<br>£ |
|-----------------------|----------------------------|
| <b>Cost</b>           |                            |
| At 1 April 2024       | 100,818                    |
| At 31 March 2025      | <u>100,818</u>             |
| <b>Amortisation</b>   |                            |
| At 1 April 2024       | 58,858                     |
| Charge for the year   | 20,164                     |
| At 31 March 2025      | <u>79,022</u>              |
| <b>Net book value</b> |                            |
| At 31 March 2025      | <u><u>21,796</u></u>       |
| At 31 March 2024      | <u><u>41,960</u></u>       |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14. Tangible fixed assets**

| <b>Group</b>                    | <b>Fixtures and fittings<br/>£</b> | <b>Office equipment<br/>£</b> | <b>Total<br/>£</b>   |
|---------------------------------|------------------------------------|-------------------------------|----------------------|
| <b><i>Cost or valuation</i></b> |                                    |                               |                      |
| At 1 April 2024                 | 759,656                            | 13,286                        | 772,942              |
| Additions                       | 56,585                             | 13,513                        | 70,098               |
| Disposals                       | (408,461)                          | (4,545)                       | (413,006)            |
| At 31 March 2025                | <u>407,780</u>                     | <u>22,254</u>                 | <u>430,034</u>       |
| <b><i>Depreciation</i></b>      |                                    |                               |                      |
| At 1 April 2024                 | 678,896                            | 13,286                        | 692,182              |
| Charge for the year             | 72,809                             | 747                           | 73,556               |
| On disposals                    | (399,015)                          | (4,545)                       | (403,560)            |
| At 31 March 2025                | <u>352,690</u>                     | <u>9,488</u>                  | <u>362,178</u>       |
| <b><i>Net book value</i></b>    |                                    |                               |                      |
| At 31 March 2025                | <u><u>55,090</u></u>               | <u><u>12,766</u></u>          | <u><u>67,856</u></u> |
| At 31 March 2024                | <u><u>80,760</u></u>               | <u><u>-</u></u>               | <u><u>80,760</u></u> |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14. Tangible fixed assets (continued)**

| <b>Company</b>                  | <b>Fixtures and fittings<br/>£</b> | <b>Office equipment<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------------|------------------------------------|-------------------------------|--------------------|
| <b><i>Cost or valuation</i></b> |                                    |                               |                    |
| At 1 April 2024                 | 759,656                            | 13,286                        | 772,942            |
| Additions                       | -                                  | 13,513                        | 13,513             |
| Disposals                       | (408,461)                          | (4,545)                       | (413,006)          |
| At 31 March 2025                | <u>351,195</u>                     | <u>22,254</u>                 | <u>373,449</u>     |
| <b><i>Depreciation</i></b>      |                                    |                               |                    |
| At 1 April 2024                 | 678,896                            | 13,286                        | 692,182            |
| Charge for the year             | 70,891                             | 747                           | 71,638             |
| On disposals                    | (399,015)                          | (4,545)                       | (403,560)          |
| At 31 March 2025                | <u>350,772</u>                     | <u>9,488</u>                  | <u>360,260</u>     |
| <b><i>Net book value</i></b>    |                                    |                               |                    |
| At 31 March 2025                | <u>423</u>                         | <u>12,766</u>                 | <u>13,189</u>      |
| At 31 March 2024                | <u>80,760</u>                      | <u>-</u>                      | <u>80,760</u>      |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**15. Fixed asset investments**

| <i><b>Group and charity</b></i>                   | <b>Listed investments</b> |                  |
|---|---------------------------|------------------|
| <i><b>Cost or valuation</b></i>                   | <b>£</b>                  |                  |
| At 1 April 2024                                   | <b>6,871,550</b>          |                  |
| Additions   | <b>19,169</b>             |                  |
| Disposals   | <b>(9,563)</b>            |                  |
| Revaluations                                      | <b>48,966</b>             |                  |
| At 31 March 2025                                  | <b>6,930,122</b>          |                  |
| <br>  |                           |                  |
| <i><b>Net book value</b></i>                      |                           |                  |
| At 31 March 2025                                  | <b>6,930,122</b>          |                  |
| At 31 March 2024                                  | <b>6,871,550</b>          |                  |
|   | <b>2025</b>               | <b>2024</b>      |
|   | <b>£</b>                  | <b>£</b>         |
| <i><b>Investments at fair value comprise:</b></i> |                           |                  |
| Fixed income                                      | <b>670,843</b>            | 862,773          |
| Equities  | <b>4,803,321</b>          | 5,082,052        |
| Property  | <b>250,254</b>            | 244,844          |
| Alternative investments                           | <b>670,593</b>            | 440,303          |
| Liquid assets                                     | <b>535,111</b>            | 241,578          |
|   | <b>6,930,122</b>          | <b>6,871,550</b> |

At 31 March 2025, the historical cost of investments was £6,219,666 (2024: £6,211,615) with net unrealised gains of £710,456 (2024: £659,935).

Valuations are based on bid price at the close of business on the valuation date. Investments are included at their fair value at the year-end date.

The charity is the single corporate member of The NHS Confederation (Services) Limited, a company limited by guarantee. The results and net assets of this company are disclosed in note 27 of these financial statements.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**16. Debtors**

|  | <b>Group</b><br><b>2025</b><br>£ | Group<br>2024<br>£ | <b>Company</b><br><b>2025</b><br>£ | Company<br>2024<br>£ |
|--|----------------------------------|--------------------|------------------------------------|----------------------|
| <b><i>Due after more than one year</i></b> |                                  |                    |                                    |                      |
| Prepayments and accrued income             | <b>113,557</b>                   | 42,731             | <b>3,808</b>                       | 8,336                |
|  | <b>113,557</b>                   | 42,731             | <b>3,808</b>                       | 8,336                |
| <b><i>Due within one year</i></b>          |                                  |                    |                                    |                      |
| Trade debtors                              | <b>9,513,953</b>                 | 5,575,560          | <b>7,838,687</b>                   | 4,733,736            |
| Amounts owed by group undertakings         | -                                | -                  | -                                  | 419,227              |
| Other debtors                              | <b>18,543</b>                    | 4,980              | <b>18,543</b>                      | 4,980                |
| Prepayments and accrued income             | <b>1,031,275</b>                 | 957,722            | <b>353,254</b>                     | 331,118              |
|  | <b>10,677,328</b>                | 6,580,993          | <b>8,214,292</b>                   | 5,497,397            |

**17. Creditors: Amounts falling due within one year**

|                                    | <b>Group</b><br><b>2025</b><br>£ | Group<br>2024<br>£ | <b>Company</b><br><b>2025</b><br>£ | Company<br>2024<br>£ |
|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------|
| Trade creditors                    | <b>383,202</b>                   | 874,999            | <b>301,518</b>                     | 722,035              |
| Amounts owed to group undertakings | -                                | -                  | <b>828,575</b>                     | -                    |
| Other taxation and social security | <b>1,120,424</b>                 | 867,168            | <b>1,120,424</b>                   | 867,588              |
| Other creditors                    | <b>635,084</b>                   | 625,055            | <b>448,026</b>                     | 363,582              |
| Accruals and deferred income       | <b>11,636,929</b>                | 9,933,494          | <b>8,679,357</b>                   | 7,931,020            |
|                                    | <b>13,775,639</b>                | 12,300,716         | <b>11,377,900</b>                  | 9,884,225            |

Deferred income comprises both income invoiced in advance and instances where work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**17. Creditors: Amounts falling due within one year (continued)**

|  | <b>Group</b><br><b>2025</b><br>£ | Group<br>2024<br>£ | <b>Company</b><br><b>2025</b><br>£ | Company<br>2024<br>£ |
|--|----------------------------------|--------------------|------------------------------------|----------------------|
|  | <b>Group</b><br><b>2025</b><br>£ | Group<br>2024<br>£ | <b>Company</b><br><b>2025</b><br>£ | Company<br>2024<br>£ |
| Deferred income at 1 April 2024                      | <b>9,232,809</b>                 | 8,300,669          | <b>7,435,405</b>                   | 7,135,644            |
| Amount released to Statement of Financial Activities | <b>(9,232,809)</b>               | (12,314,324)       | <b>(7,435,405)</b>                 | (11,115,929)         |
| Amounts deferred in year                             | <b>10,823,832</b>                | 13,246,464         | <b>8,099,088</b>                   | 11,415,690           |
|  | <b>10,823,832</b>                | 9,232,809          | <b>8,099,088</b>                   | 7,435,405            |

**18. Provisions**

**Group**

|                 | Conference<br>Centre<br>£ | Leeds Office<br>£ | London Office<br>£ | Cardiff Office<br>£ | Total<br>£      |
|-----------------|---------------------------|-------------------|--------------------|---------------------|-----------------|
| At 1 April 2024 | <b>80,446</b>             | <b>71,062</b>     | <b>120,150</b>     | <b>21,789</b>       | <b>293,447</b>  |
| Movement        | <b>32,185</b>             | <b>(71,062)</b>   | <b>(20,200)</b>    | <b>(21,789)</b>     | <b>(80,866)</b> |
|                 | <b>112,631</b>            | -                 | <b>99,950</b>      | -                   | <b>212,581</b>  |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**18. Provisions (continued)**

*Charity*

|                 | Leeds Office<br>£ | London Office<br>£ | Cardiff Office<br>£ | Total<br>£ |
|-----------------|-------------------|--------------------|---------------------|------------|
| At 1 April 2024 | 71,062            | 120,150            | 21,789              | 213,001    |
| Movement        | (71,062)          | (20,200)           | (21,789)            | (113,051)  |
|                 | -                 | 99,950             | -                   | 99,950     |

The dilapidation provision relates to the expected cost payable on vacating our office spaces and conference centre. Provisions have been discounted where the cost is not expected to be incurred for some years (conference centre).

Of the provisions above, the £112,631 relating to the conference centres sits in the trading subsidiary, The NHS Confederation (Services) Company Limited. All other provisions sit in the charity The NHS Confederation.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**19. Statement of funds**

**Statement of funds - current year**

|                                   | Balance at 1<br>April 2024<br>£ | Income<br>£              | Expenditure<br>£           | Transfers<br>£  | Gains/<br>(Losses)<br>£ | Balance at 31<br>March 2025<br>£ |
|-----------------------------------|---------------------------------|--------------------------|----------------------------|-----------------|-------------------------|----------------------------------|
| <b>Unrestricted funds</b>         |                                 |                          |                            |                 |                         |                                  |
| Funds represented by fixed assets | 122,720                         | -                        | -                          | (33,068)        | -                       | 89,652                           |
| General unrestricted funds        | 9,003,534                       | 23,455,048               | (24,149,896)               | 33,068          | 48,966                  | 8,390,720                        |
|                                   | <u>9,126,254</u>                | <u>23,455,048</u>        | <u>(24,149,896)</u>        | <u>-</u>        | <u>48,966</u>           | <u>8,480,372</u>                 |
| <b>Restricted funds</b>           |                                 |                          |                            |                 |                         |                                  |
| Restricted grants                 | -                               | 495,949                  | (495,949)                  | -               | -                       | -                                |
| <b>Total of funds</b>             | <u><u>9,126,254</u></u>         | <u><u>23,950,997</u></u> | <u><u>(24,645,845)</u></u> | <u><u>-</u></u> | <u><u>48,966</u></u>    | <u><u>8,480,372</u></u>          |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**19. Statement of funds (continued)**

**Statement of funds - prior year**

|                                   | Balance at<br>1 April 2023<br>£ | Income<br>£              | Expenditure<br>£           | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 March<br>2024<br>£ |
|-----------------------------------|---------------------------------|--------------------------|----------------------------|--------------------------|-------------------------|-------------------------------------|
| <b>Unrestricted funds</b>         |                                 |                          |                            |                          |                         |                                     |
| Funds represented by fixed assets | 229,368                         | -                        | -                          | (106,648)                | -                       | 122,720                             |
| General unrestricted funds        | 9,311,406                       | 23,502,738               | (24,420,521)               | 106,648                  | 503,263                 | 9,003,534                           |
|                                   | <u>9,540,774</u>                | <u>23,502,738</u>        | <u>(24,420,521)</u>        | <u>-</u>                 | <u>503,263</u>          | <u>9,126,254</u>                    |
| <b>Restricted funds</b>           |                                 |                          |                            |                          |                         |                                     |
| Restricted grants                 | -                               | 285,614                  | (285,614)                  | -                        | -                       | -                                   |
|                                   | <u>-</u>                        | <u>285,614</u>           | <u>(285,614)</u>           | <u>-</u>                 | <u>-</u>                | <u>-</u>                            |
| <b>Total of funds</b>             | <u><u>9,540,774</u></u>         | <u><u>23,788,352</u></u> | <u><u>(24,706,135)</u></u> | <u><u>-</u></u>          | <u><u>503,263</u></u>   | <u><u>9,126,254</u></u>             |

Income of £495,949 relating to restricted funds was received during the year ended 31 March 2025 but had all been spent by the year-end date, meaning balance on restricted funds at this date was £nil (2024: £nil). Restricted funds related to grants received for a specific purpose, such as Understanding Patient Data.

**20. Summary of funds**

**Summary of funds - current year**

|                  | Balance at 1<br>April 2024<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at 31<br>March 2025<br>£ |
|------------------|---------------------------------|-------------------|---------------------|--------------------------|-------------------------|----------------------------------|
| General funds    | 9,126,254                       | 23,455,048        | (24,149,896)        | -                        | 48,966                  | 8,480,372                        |
| Restricted funds | -                               | 495,949           | (495,949)           | -                        | -                       | -                                |
|                  | <u>9,126,254</u>                | <u>23,950,997</u> | <u>(24,645,845)</u> | <u>-</u>                 | <u>48,966</u>           | <u>8,480,372</u>                 |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**20. Summary of funds (continued)**

**Summary of funds - prior year**

|                  | Balance at<br>1 April 2023<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 March<br>2024<br>£ |
|------------------|---------------------------------|-------------------|---------------------|--------------------------|-------------------------|-------------------------------------|
| General funds    | 9,540,774                       | 23,502,738        | (24,420,521)        | -                        | 503,263                 | 9,126,254                           |
| Restricted funds | -                               | 285,614           | (285,614)           | -                        | -                       | -                                   |
|                  | <u>9,540,774</u>                | <u>23,788,352</u> | <u>(24,706,135)</u> | <u>-</u>                 | <u>503,263</u>          | <u>9,126,254</u>                    |

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|  | <b>Unrestricted<br/>funds<br/>2025<br/>£</b> | <b>Total<br/>funds<br/>2025<br/>£</b> |
|--|--|---------------------------------------|
| Tangible fixed assets                  | 67,856                                       | <b>67,856</b>                         |
| Intangible fixed assets                | 21,796                                       | <b>21,796</b>                         |
| Fixed asset investments                | 6,930,122                                    | <b>6,930,122</b>                      |
| Debtors due after more than one year   | 113,557                                      | <b>113,557</b>                        |
| Current assets                         | 15,335,261                                   | <b>15,335,261</b>                     |
| Creditors due within one year          | (13,775,639)                                 | <b>(13,775,639)</b>                   |
| Provisions for liabilities and charges | (212,581)                                    | <b>(212,581)</b>                      |
| <b>Total</b>                           | <u>8,480,372</u>                             | <u><b>8,480,372</b></u>               |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**21. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

|  | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ |
|--|------------------------------------|-----------------------------|
| Tangible fixed assets                  | 80,760                             | 80,760                      |
| Intangible fixed assets                | 41,960                             | 41,960                      |
| Fixed asset investments                | 6,871,550                          | 6,871,550                   |
| Debtors due after more than one year   | 42,731                             | 42,731                      |
| Current assets                         | 14,683,416                         | 14,683,416                  |
| Creditors due within one year          | (12,300,716)                       | (12,300,716)                |
| Provisions for liabilities and charges | (293,447)                          | (293,447)                   |
| <b>Total</b>                           | <b>9,126,254</b>                   | <b>9,126,254</b>            |

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

|   | Group<br>2025<br>£ | Group<br>2024<br>£ |
|---|--------------------|--------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | <b>(645,882)</b>   | (414,520)          |
| <b>Adjustments for:</b>   |                    |                    |
| Depreciation charges  | <b>73,556</b>      | 90,629             |
| Amortisation charges  | <b>20,164</b>      | 20,164             |
| Gains on investments  | <b>(48,966)</b>    | (503,263)          |
| Dividends and interest from investments                                 | <b>(565,036)</b>   | (563,685)          |
| Loss on the sale of fixed assets  | -                  | 101                |
| Decrease/(increase) in debtors  | <b>(4,096,335)</b> | 86,604             |
| Increase in creditors   | <b>1,394,057</b>   | 1,582,874          |
| <b>Net cash (used in)/provided by operating activities</b>              | <b>(3,868,442)</b> | 298,904            |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**23. Analysis of cash and cash equivalents**

|   | <b>Group<br/>2025</b>   | <b>Group<br/>2024</b>   |
|---|-------------------------|-------------------------|
|   | <b>£</b>                | <b>£</b>                |
| Cash in hand                                  | <b>2,771,490</b>        | 6,145,154               |
| Notice deposits (32 days)                     | <b>2,000,000</b>        | 2,000,000               |
| <b><i>Total cash and cash equivalents</i></b> | <b><u>4,771,490</u></b> | <b><u>8,145,154</u></b> |

**24. Analysis of changes in net debt**

|                          | <b>At 1 April<br/>2024</b> | <b>Cash flows</b>         | <b>At 31 March<br/>2025</b> |
|--------------------------|----------------------------|---------------------------|-----------------------------|
|                          | <b>£</b>                   | <b>£</b>                  | <b>£</b>                    |
| Cash at bank and in hand | <b>8,145,154</b>           | <b>(3,373,664)</b>        | <b>4,771,490</b>            |
|                          | <b><u>8,145,154</u></b>    | <b><u>(3,373,664)</u></b> | <b><u>4,771,490</u></b>     |

**25. Pension commitments**

The organisation contributes to a number of pension schemes.

The NHS Confederation is able to maintain access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Scheme for staff who are recruited from these sectors and already contribute to these schemes. Both of these schemes are unfunded schemes backed by the exchequer, accordingly these schemes are accounted for as defined contribution schemes in accordance with FRS 102.

The organisation makes a contribution of either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme (Scottish Widows) for all employees unless they opt out.

Contribution amounting to £166,589 (2024: £166,541) were payable to the schemes at 31 March 2025 and are included within other creditors and accruals.

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**26. Operating lease commitments**

At 31 March 2025 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | <b>Group</b><br><b>2025</b><br>£ | Group<br>2024<br>£ | <b>Company</b><br><b>2025</b><br>£ | Company<br>2024<br>£ |
|--|----------------------------------|--------------------|------------------------------------|----------------------|
| Not later than 1 year                        | <b>370,664</b>                   | 495,892            | <b>370,664</b>                     | 495,892              |
| Later than 1 year and not later than 5 years | <b>1,631,616</b>                 | 590,016            | <b>1,631,616</b>                   | 590,016              |
|  | <b>2,002,280</b>                 | 1,085,908          | <b>2,002,280</b>                   | 1,085,908            |

**27. Results and net assets of the subsidiary**

The wholly owned trading subsidiary, The NHS Confederation (Services) Company Limited (company number 05252407) is incorporated in England and Wales and has a registered office address of 2nd Floor, 18 Smith Square, London, SW1P 3HZ. The subsidiary provides a range of non-charitable activities on behalf of the NHS Confederation.

The summary financial performance of the subsidiary alone is:

|  | <b>2025</b><br>£   | 2024<br>£   |
|--|--------------------|-------------|
| <b><i>The NHS Confederation (Services)</i></b> |                    |             |
| Income   | <b>5,570,364</b>   | 4,831,527   |
| Expenditure                                    | <b>(4,614,192)</b> | (3,920,981) |
| Profit/(loss) for the year                     | <b>956,172</b>     | 910,546     |
| Fixed assets                                   | <b>54,667</b>      | -           |
| Current assets                                 | <b>4,579,928</b>   | 4,013,189   |
| Current liabilities                            | <b>(3,226,314)</b> | (2,835,718) |
| Provision for liabilities                      | <b>(112,631)</b>   | (80,446)    |
| Net assets/(liabilities)                       | <b>1,295,650</b>   | 1,097,025   |

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**28. Related party transactions**

The remuneration of key management personnel, being the senior executive team listed on pages 3 and 4, is as follows:

|                        | <b>2025</b>      | <b>2024</b> |
|------------------------|------------------|-------------|
|                        | <b>£</b>         | <b>£</b>    |
| Aggregate compensation | <b>2,049,439</b> | 2,220,697   |
|                        | <b>2,049,439</b> | 2,220,697   |

During the year, the group had the following related party transactions due to a trustee or co-opted committee member (or close relation of) being on the board or an employee of another organisation.

| <b>2024/25</b>                           |   | <b>Charity</b> | <b>Charity</b> | <b>Subsidiary</b> | <b>Charity</b> | <b>Subsidiary</b> |
|--|---|----------------|----------------|-------------------|----------------|-------------------|
| <b>Related Party</b>                     | <b>Description of Relationship</b>        | <b>Income</b>  | <b>Expense</b> | <b>Income</b>     | <b>Debtor</b>  | <b>Debtor</b>     |
|  |   | <b>£</b>       | <b>£</b>       | <b>£</b>          | <b>£</b>       | <b>£</b>          |
| Accenture (UK) Limited                   | Trustee is Contractor                     | -              | -              | 100,000           | -              | 120,000           |
| Accurx                                   | Spouse of Trustee is Board member         | -              | -              | 22,050            | -              | -                 |
| Airedale NHS Foundation Trust            | Trustee is CEO                            | 9,200          | -              | -                 | 9,200          | -                 |
| Cwm Taf Morgannwg University Health Boar | Trustee is Chair                          | 69,070         | -              | 1,515             | 69,070         | 378               |
| Eli Lilly and Company Ltd                | Spouse of Director is Key Account Manager | -              | -              | 175,200           | -              | -                 |
| Health Innovation Research Alliance NI   | Trustee is Non Executive Dir              | -              | -              | 450               | -              | -                 |
| Milton Keynes University Hospital NHS FT | Trustee is CEO                            | 10,650         | -              | 104               | 10,650         | -                 |
| NHS Beds, Luton and Milton Keynes ICB    | Trustee is Board Member                   | 28,900         | -              | 184               | 25,900         | -                 |
| NHS Charities Together                   | Deputy CEO was Trustee of                 | -              | -              | 113,750           | -              | -                 |
| NHS Frimley ICB                          | Trustee is CEO                            | 18,160         | -              | 1,122             | 18,160         | 95                |
| NHS Lancashire and South Cumbria ICB     | Trustee is Chair                          | 68,500         | -              | -                 | 34,800         | -                 |
| NHS North East London ICB                | Trustee is Chair                          | 64,200         | -              | -                 | 39,200         | -                 |
| NHS Nottingham and Nottinghamshire ICB   | Trustee is Board Member                   | 63,000         | -              | 419               | 28,000         | -                 |
| NHS Surrey Heartlands ICB                | Trustee is PCN Leader                     | 26,500         | -              | 419               | -              | -                 |
| Nottinghamshire Healthcare NHS FT        | Trustee is CEO                            | 17,950         | -              | 419               | 17,950         | -                 |
| Nuffield Health                          | Trustee is Board Member                   | 9,750          | -              | -                 | 9,750          | -                 |
| Pharmaceutical Society NI                | Trustee was Vice President                | 500            | -              | -                 | 500            | -                 |
| Royal Free London NHS Foundation Trust   | Director is Non Executive Dir             | 27,750         | -              | -                 | 28,350         | -                 |
| South Eastern Health and Social Care Tru | Trustee is Chair                          | 20,663         | -              | 6,022             | -              | 693               |
| Swansea Bay University Health Board      | Trustee was Chair                         | 65,420         | -              | 504               | 65,420         | -                 |
| ZPB Associates                           | Trustee is Director & CEO                 | -              | -              | 950               | -              | 1,140             |
| UK Health Security Agency                | Trustee is Non Executive Associate        | -              | 69,416         | -                 | -              | -                 |
| Responsible Leadership Foundation Limite | Spouse of CEO is Senior Director          | 3,750          | 53,054         | -                 | -              | -                 |

During the year the subsidiary The NHS Confederation (Services) Company Limited gift aided profits of £757,547 to the parent charity (2024: £1,045,244) and at the year end there was a balance owed to the subsidiary of £828,575 (2024: balance owed from subsidiary of £419,227).

---

**THE NHS CONFEDERATION**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2025*

---

**29. Custodian arrangements**

The charity acts as custodian for the NI Public Sectors Chairs forum. In the financial year ended 31 March 2025, the charity received £92,893 (2024: £48,632) and disbursed £48,632 (2024: £54,932) in its role as custodian. An amount of £86,106 (2024: £41,845) is included in other creditors relating to unrestricted funds held as custodian at 31 March 2025.

The trading subsidiary, The NHS Confederation (Services) Company Limited, acts as custodian for the Developing Excellence in Medical Education conference, which will be held in December 2025. The subsidiary holds all funds and administers payments on behalf of the organisers of the event. In the financial year ended 31 March 2025, the trading subsidiary received £17,250 (2024: £642,224) and disbursed £91,665 (2024: £461,002) in its role as custodian. An amount of £187,058 (2024: £261,473) is included in other creditors relating to unrestricted funds held as custodian as at 31 March 2025.

**THE NHS CONFEDERATION**

England & Wales - Charity number 1090329

---

# Accounts

---

**Charity Registration No. 1090329**  
**Company Registration No. 04358614 (England and Wales)**

**THE NHS CONFEDERATION  
TRUSTEES' ANNUAL REPORT  
AND ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2024**

# THE NHS CONFEDERATION

## LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2024

---

|                   |  |
|-------------------|--|
| Trustees          | Lord Victor Adebawale<br>Prof Joseph Harrison<br>Nanda Ratnavel<br>Marie Gabriel<br>Valerie Morton<br>Dr Pramit Patel<br>Ifti Majid<br>Dame Jackie Daniel<br>Dr Peta Foxall<br>Emma Woollett<br>Fiona Edwards<br>Paul Davies<br>Jonathan Patton<br>Jonathan Morgan |
| Charity number    | 1090329  |
| Company number    | 04358614   |
| Registered office | 2nd Floor<br>18 Smith Square<br>London<br>SW1P 3HZ   |
| Auditor           | BHP LLP<br>1 <sup>st</sup> Floor, Mayesbrook House<br>Lawnswood Business Park<br>Redvers Close<br>Leeds<br>LS16 6QY  |
| Banker            | Barclays Bank Plc.<br>1 Churchill Place<br>London<br>E14 5HP   |
| Solicitors        | Capsticks LLP<br>1 St George's Road<br>Wimbledon<br>London<br>SW19 4DR   |

# THE NHS CONFEDERATION

## LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2024

---

Investment adviser

Sarasin and Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London  
EC4M 8BU

Senior Executive Staff

Matthew Taylor  
Chief Executive, NHS Confederation

Danny Mortimer  
Deputy Chief Executive, NHS Confederation/Chief  
Executive NHS Employers

Daniel Reynolds  
Director of Communications

Darren Hughes  
Director, Welsh NHS Confederation

Heather Moorhead  
Director, Northern Ireland Confederation for Health and  
Social Care

Joan Saddler  
Director of Partnerships and Equality

John O'Brien  
Commercial Director

Layla McCay  
Director of Policy

Marie Pritchard  
Director of People and Governance

Nikki Barraclough  
Director of Finance and IT

Rory Deighton  
Director, Acute Network

Ruth Rankine  
Director of Primary Care

# THE NHS CONFEDERATION

## LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2024

---

Senior Executive Staff (continued)

Sean Duggan  
Chief Executive, Mental Health Network

Sarah Walter  
Director, ICS Network

Habib Naqvi  
Chief Executive, Race and Health Observatory

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

The trustees present their report and the audited consolidated financial statements for the year ended 31 March 2024.

The trustees are pleased to present their annual trustees' report (which is also prepared to meet the requirements for a directors' and strategic report) together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2024. The financial statements have been prepared in accordance with the Charities Act 2011, Companies Act 2006, the organisation's articles of association and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published in October 2019.

The directors of the charitable company are its trustees for the purpose of charity law.

### **About us**

The NHS Confederation is the membership organisation that brings together, supports and speaks for the whole healthcare system in England, Wales and Northern Ireland. The members we represent employ over 1.5 million staff, care for more than 1 million patients a day and control £150 billion of public expenditure. We promote collaboration and partnership working as the key to improving population health, delivering high-quality care and reducing health inequalities. We support our members in three main ways:

- We represent organisations and sectors, to ensure local organisations and systems work in the best interests of service users, citizens and staff.
- We connect the whole healthcare system, to boost system working and develop solutions to shared challenges.
- We support leaders to develop and hone their leadership skills, equipping leaders with tools, ideas and insights and connecting them with a community of leaders.

Our work is underpinned by our values which help us to achieve our vision of a healthier population supported by high-quality health and care services that benefit everyone. We are respectful, inclusive, bold, collaborative and we act with integrity.

The NHS Confederation includes NHS Employers, the employers' organisation for the NHS in England. And we host two organisations: the NHS Race and Health Observatory, which works to identify and tackle ethnic inequalities in health and care by facilitating research, making health policy recommendations and enabling long-term transformational change; and Understanding Patient Data, which aims to make the way patient data is used more visible, understandable and trustworthy, for patients, the public and health professionals.

### **Summary overview**

Our influencing work continued at pace throughout 2023/24, ensuring that our members in England, Wales and Northern Ireland were supported to respond to challenges and deliver the best outcomes for their communities. With a renewed focus on improvement, we also worked to secure the resources members need to make positive changes and equipped them with the tools, capabilities and insights to deliver change.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

What follows below is a snapshot of our achievements over the year. Further detail is provided in the 'Key achievements in 2023/24' section.

- 1. Industrial action:** We were one of the leading national commentators on industrial action, consistently calling for talks to resume between the government and British Medical Association (BMA). This finally happened in October 2023. Through NHS Employers, which is part of the NHS Confederation, we played a key role in supporting negotiations between different staff groups and the government. In addition, following our calls for further funding for systems to cope with the ongoing industrial action, we secured £200 million of new funding for members.
- 2. Pay uplift for all:** Having made the case on behalf of members – both in private with officials and publicly, including a letter to the Secretary of State for Health and Social Care – we were pleased to see funding for the government's promised pay uplift for staff on Agenda for Change terms extended to non-statutory providers.
- 3. Capital investment and social care funding in Wales:** Following repeated calls for further capital investment and the importance of sufficiently funding social care during the budget scrutiny process, the Welsh NHS Confederation successfully influenced the Welsh Government's final budget for 2024/25, resulting in an uplift in both areas.
- 4. NHS Long Term Workforce Plan:** Following our intensive lobbying for its development over recent years, the NHS Long Term Workforce Plan (LTWP) reflected our demands for a long-term, fully costed and funded plan across all parts of the workforce in England.
- 5. Equality performance:** Through support from our Diversity in Health and Care Partners Programme, 48 organisations and systems improved their equality performance in line with the NHS People Plan.
- 6. Change in Northern Ireland:** With the health and social care system in Northern Ireland experiencing significant challenges, our Northern Ireland Confederation for Health and Social Care built its collective leadership approach to deliver change across the system. The organisation strengthened its relationship with the Department of Health, becoming a trusted partner on several projects, importantly holding three seats on the Innovation and Transformation Advisory Board.
- 7. Hewitt review:** We played a lead role in mobilising the views of our members and ensuring they were able to shape the recommendations of the influential Hewitt review. Following the government's formal response to the review, we remain at the centre of influencing its implementation.
- 8. Horizon Europe:** Our European Office successfully campaigned with key stakeholders to secure post-Brexit association to Horizon Europe to support the development of UK innovation.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

9. **Smoke-free generation:** Our continued lobbying influenced a historic new law stopping children aged 14 or younger ever legally being sold cigarettes – a move we have called for since the 2022 Khan review.
10. **Major conditions strategy:** We successfully influenced the strategic framework of the major conditions strategy.
11. **Digital Inclusion Framework:** NHS England's Digital Inclusion Framework contained specific recommendations we called for on behalf of members, helping communities to embrace digitalisation through local training and support; providing high-quality digital and face-to-face access to services based on local needs; and enabling inclusive access to up-to-date and connected services, taking into consideration needs and abilities.
12. **Reputation management:** We began a major piece of work to protect and enhance the reputation of the NHS in the run up to the election, including commissioning new research into public attitudes to the NHS and publishing a series of myth busters to ground debates on the health service on facts and evidence.
13. **Commercial partnerships:** In 2023, we delivered the second NHS ConfedExpo, our annual conference and exhibition in partnership with NHS England. Despite the impact of industrial action, bookings far exceeded 2022 (over 7,200) and attendance was significantly up (5,422 across the two days). We delivered 141 sessions, secured partners for all content packages and sold out the exhibition, with 220 organisations present in the hall. Most pleasingly, 96 per cent would recommend NHS ConfedExpo to a colleague. We launched the 2024 event a month early in October 2023 and sales have exceeded expectations.

## Key achievements in 2023/24

### Influencing policy and national debate

#### Supporting the workforce

2023/24 was punctuated by industrial action across the NHS. We were one of the leading national commentators on the issue and consistently called for talks to resume between the government and unions. Throughout the year, NHS Employers played a key role in helping employers prepare for and manage strike action, as well as supporting negotiations between different staff groups and the government. The organisation worked closely with NHS England to manage and improve the patient safety mitigation (derogations) process with trade unions, and in supporting the legal considerations on safety around protections for essential life and limb cover. In addition, following calls from the Confederation for further funding for systems to cope with the ongoing action, we secured £200 million of new funding for members.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

NHS Employers remains integral to the successful implementation of the additional commitments made by the government in the 2023 agreement that resolved the industrial disputes with Agenda for Change (AfC) trade unions; this has included ensuring that each workstream has employer representatives.

Following an extensive programme of engagement, NHS Employers gathered and submitted detailed evidence on behalf of employers in response to the government's call for evidence on a separate pay spine for nursing staff. The employer evidence submission set out the potential risks associated with moving nursing staff away from the current AfC system and stated a strong view from employers that resources and capacity would be better spent on modernising the pay structure to benefit the whole AfC workforce. NHS Employers also supported the NHS Staff Council's submission on this issue.

Having made the case on behalf of members in England, funding for the government's promised pay uplift for staff on AfC terms was extended to non-statutory providers. This was welcomed by the Community Network, a network we host with NHS Providers, which had also made repeated calls for action on this issue.

Following our intensive lobbying for its development over recent years, when the NHS Long Term Workforce Plan (LTWP) was published it reflected our demands for a long-term, fully costed and funded plan across all parts of the workforce.

NHS Employers has continued to develop new materials and highlighted existing resources to support members to develop local plans that support the LTWP's implementation. Its annual workforce supply conference, held in September 2023, included 16 sessions around the themes of train, retain or reform. Over 800 individuals subscribed to the event, and those that attended rated the conference as 'good' or 'excellent', with 100 per cent saying they would like to attend again next year.

An influential report from our Mental Health Network with the Nuffield Trust think tank – Attitudes and Access to Mental Health Nursing – led to a commitment in the NHS Long Term Workforce Plan to increase training places by 38 per cent for mental health nursing, and 46 per cent for learning disability nursing by 2028/29.

NHS Employers established the workforce reform advisory group (WRAG) to bring together colleagues from outside government and NHS arm's-length bodies to discuss the reform ambitions of the LTWP. The network, co-chaired by Danny Mortimer and Professor Andrew Goddard, aims to contribute to the workforce debate in a constructive and evidence-based way, bringing together leaders and educators to advocate for the priorities of the plan.

NHS Employers' work to support employers to respond to the rising cost of living has continued throughout 2023/24. NHS Confederation trustees supported Employers' bid to access internal funding for two employer-facing offers, which have been well subscribed, well evaluated and demonstrated a value to participants.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

Over 150 people engaged in network calls, between 120-160 people attended masterclasses and the cost of living web section – which includes financial wellbeing guidance, NHS examples and inputs and guidance from our partners in this work at CIPD and the Joseph Rowntree Foundation – has been accessed over 15,000 times. NHS Employers will continue to incorporate emerging practice on the website and provide updates on the work and how it supports core aspects of the LTWP and the Equality, Diversity and Inclusion (EDI) Improvement Plan.

NHS Employers worked closely with partners at Skills for Care and Partners in Care and Health (Local Government Association and Association of Directors of Adult Social Services) to discuss how to best support the three workforces to enable the 'one workforce vision'. The relationship that has been established via NHS Employers has continued to be positive and, collectively, they have published new resources and held events to support system leaders to think about their culture, how they can integrate their workforce at place level, sharing good practice through case studies and developing a benchmarking tool to help systems understand how they can assess their culture.

In September 2023, we published guidance around developing a workforce culture to help organisations move towards integration with Skills for Care that builds on the integrated workforce thinking guide. Through our engagement, we know that building the right culture and creating strong relationships can be challenging, but if done well it can present new opportunities and deliver better services. To help organisations, we developed a guide on six ways to help build a culture of integration and a supporting a benchmarking tool to help organisations understand and assess their workplace culture. The tool aims to help systems understand if these behaviours are being reflected within their system and where they may need to focus and prioritise their attention.

In Northern Ireland, working with EY and HPMA, our Northern Ireland Confederation for Health and Social Care hosted a workshop focused on workforce issues and published No Time to Lose: Opportunities and Priorities for Northern Ireland's HSC Workforce. This report was showcased at NICON23 and in an online seminar in February 2024.

In October 2023, we responded to a letter from the then health and social care secretary, Steve Barclay, which requested that NHS organisations stop recruiting into equality, diversity and inclusion roles. Our response, warmly welcomed by members, was followed by a briefing spotlight the more than 500 responses to our survey on this issue. The publication, released in March 2024, highlighted the broad consensus among our members that investing in tackling inequalities is mission critical. The data provided a robust challenge to the debate on the topic and members have thanked us for being both visible and vocal on their behalf.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### **Integrating health and care**

We had a demonstrable impact on the influential Hewitt review in England, playing a lead role in mobilising members' views and ensuring they were able to shape the review's recommendations. Following the government's formal response, we remain at the centre of influencing its implementation.

Supporting the Hewitt review recommendations, our ICS Network's influencing work has raised the profile of integrated care partnerships (ICPs) and system working. In collaboration with the Local Government Association and other partners, the network launched a new national forum for ICP and care board chairs to raise priorities and support joined-up policymaking nationally.

The network also actively influenced the Care Quality Commission's assessment process for integrated care systems (ICSs), including the debate around proposed regulatory fees. The network led key influencing work to share members' concerns on the cost and scope of assessments and the importance of peer review and challenge within the assessment approach.

The network's flagship State of ICS report 2023/24 has been well received and provided a springboard for meetings and events on ICS progress and challenges. There has been progress against some of the recommendations, including work being done by Skills for Care on a social care workforce plan, a planned capital strategy and NHS England's commissioning support for integrated care boards.

Throughout 2023/24, our Place Forum has been in development, offering several meetings, webinars research projects and roundtables. Place leaders have been offered opportunities to connect with a wide-reaching set of policy and network opportunities, including around the government's section 75 review, levelling up partnerships and primary care design. Place leader involvement is increasingly reciprocal, and a peer learning environment is emerging.

We have developed our relationships with neighbourhood leaders and are building our legitimacy as a leader in this space. We entered a formal partnership with Local Trust and over the coming year will deliver a programme of activity around integrated neighbourhood working.

In Northern Ireland, it has been a strong year for the delivery of the Public Sector Chairs' Forum project, with proactive health involvement setting prevention and integrated care at the heart of the forum's influencing agenda on the development of the Programme for Government.

### **Improving population health and tackling inequalities**

Our EDI programme launched a collaboration with AstraZeneca to explore how access, experience and outcomes for disadvantaged communities can be improved. Launched in Q3, the first project within this multi-year programme was designed to explore improvement, early detection and primary prevention across cardio metabolic co-morbidities and optimise the

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

management of high-impact conditions such as cardiovascular disease among black and Asian communities in North East London.

This project is already showing promising results and we are embarking on a second project to improve detection and management of respiratory disease for the homeless and substance misusing populations in West Yorkshire. These programmes use our practical improvement tool, the five-step model, which we are also using to support mental health providers in delivering improved pathways to reduce healthcare inequalities. In Q1 we delivered a series of three webinars to board members on the model, supporting them to turn strategy into practical action.

On children and young people (CYP), our continued lobbying influenced a historic new law stopping children aged 14 or younger ever legally being sold cigarettes, a move we have called for since the 2022 Khan review. Following consistent lobbying from our Mental Health Network, the government announced funding to support the creation of open-access hubs for children and young people in ten local areas in England. In line with the network's calls, both the Labour and Lib Democrats parties announced they would open hubs in every local area, and ensure all pupils have access to mental health support in schools. Our Community Network highlighted leaders' concerns about the long waits CYP are experiencing for community health services. The network's intervention, based on a survey of its members, led to a number of national policy calls, including for more government intervention in prevention and early intervention; funding similar to elective recovery; support for more staff with the right skills mix; and more coordinated commissioning.

The network was also vocal about the need to maximise the potential of urgent community response (UCR) services. Surfacing strong examples from members of where it is being done well, the network called for UCR to become an investment priority, backed by national targets focused on expansion and regional variations.

Since the announcement of the major conditions strategy in early 2023, we have been proactively engaging members and officials in the Department of Health and Social Care (DHSC) and the Office for Health Improvement and Disparities (OHID) to influence its development. Ministerial roundtables and thought leadership pieces, including in the BMJ, have allowed to have a strong voice in developing the narrative of the strategy and develop critical relationships with policy teams across DHSC and OHID. The strategy is expected to be published in May and we will support members on its release.

Our Health Inequalities Reference Group (HIRG) and Public Health ICS Forum (PHIF) enable us to interact with members on issues around improving population health outcomes and reducing health outcomes. The HIRG was instrumental in instigating a major project on health inequalities funding, which concluded in March 2024 when the research report and toolkit were published. The resources have been cited in other publications and we are now developing proposals to test the toolkit in systems. The PHIF, through its collaboration with the Local Government Association and the Association of Directors of Public Health, has enabled local health and care leaders to interact with national public health officials and officers to discuss, share and work collaboratively

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

to address population health challenges, such as the impact of work on health and how we bring systems together on the Work Well programme.

The Hewitt review emphasised the need to shift prevention so it is at the heart of effective integrated health and social care. With this in mind, we launched a project in February 2024 to better understand and address the barriers to support at-scale preventative health and care within ICSs. Primary research has been conducted through focus groups with ICS, place and neighbourhood leaders and wider health and care stakeholders in England to identify what prevention means to people, the barriers they face and the support they need to make progress. A report and toolkit will be published in summer 2024 for local systems to facilitate action on overcoming persistent barriers to prevention.

Marking the event of the NHS's 75<sup>th</sup> anniversary, our Welsh NHS Confederation launched a campaign calling for a cross-government, cross-sector national conversation on the future of health and care services and the population's health and wellbeing. Garnering ministerial support, including a mention during a Senedd debate, the campaign has led to 32 organisations from a range of sectors endorsing calls to ensure every individual, sector and government department play their part in improving the population's health. The organisation's continued influence resulted in the Welsh Government's historic consultation on proposals to mandate the use of Health Impact Assessments in Wales. Its calls were reflected in health and care think tank the Bevan Commission's report titled A Conversation with the Public.

On primary care, our Primary Care Network continued to influence national leaders and policymakers on issues that matter most to its members, including the major conditions strategy and vaccination strategy.

Our European Office led health sector representation in the UK Domestic Advisory Group for the post-Brexit trade agreement with the EU and ensured health will now feature in future re-negotiations to benefit UK patients and our members.

#### **Driving digital and innovation**

In June 2023, we published the results of a qualitative and quantitative survey of the UK general population, including patients suffering a long-term condition across diverse demographics. The research, published in partnership with Google Health and will polling conducted by Ipsos, surfaced that people are open to using technology as part of their care. This piece was well received and picked up in stakeholder work, including by the King's Fund and The Health Foundation.

Following on from this, we published practical guidance for digital leaders in March 2024 on how to harness the potential of patient-facing technology based on member interviews and an interactive roundtable. This guidance has received positive feedback from members, and we hope to include it as a resource in the Digital Leaders Programme and to hear that it has stimulated conversations around patient-facing technology at board level.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

Our Primary Care Network established two key digital groups: the Data and Digital group meets monthly and has been used by both DHSC and NHS England for critical engagement around new frameworks and products. The network's Digital Transformation Leads forum has over 440 members across the country that actively participate in discussion.

The Mental Health Network published Maximising the Potential of Digital in Mental Health in summer 2023, which outlined the challenges, benefits and opportunities of digital mental health and how it can improve mental healthcare and population mental health. The network received a positive reaction to the report from members, and DHSC described it as a helpful exploration of the key issues and areas to explore. It has sparked wider engagement, including interest from local authorities to highlight good practice happening on digital mental health at the place level. We are scoping the options to deliver further work in this area, building on the recommendations and good practice shared by members through the roundtables.

In partnership with NHS Providers and Public Digital, we are delivering a three-year digital leaders programme. It has been designed to support ICS leaders to seize the digital opportunity and deliver their system ambitions. Between March 2023 and April 2024, a total of nine sessions were delivered receiving positive feedback from members. We published an insights briefing on how to develop a useful ICS digital strategy and conducted desk-based research on the status of ICS digital strategies and interviews with ICS leaders to inform this work. The insights briefing resulted in an increase in sign up numbers for the May webinar on this topic.

Our Acute Network's survey of 80 senior operational leaders in the NHS suggested that the Patient Initiated Digital Mutual Aid System (PIDMAS) scheme, encouraging patient-initiated requests to move to alternative providers, has added little in additional capacity for patients, while taking large amounts of administrative time. These findings informed our request that NHS England and the Department of Health and Social Care should review the relative benefits of the scheme before moving to the next phase.

In Northern Ireland, our Confederation for Health and Social Care continued to strengthen its relationship with the Department of Health and is now a trusted partner on several projects, importantly holding three seats on the Innovation and Transformation Advisory Board.

Lastly, alongside key stakeholders, we successfully campaigned to secure post-Brexit association to Horizon Europe to support the development of UK innovation.

#### **Enhancing the NHS's role in economic development**

Commissioned by NHS England and in partnership with NAVCA, National Voices and the Local Government Association, we captured and shared learning about how the NHS can support social and economic development. Working alongside a number of ICSs, while incorporating wider expertise and practitioners, we developed a better understanding of how all ICSs can

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

progress their work in this important area. Our findings are showcased as a learning platform on our website, providing members with practical learning and tools as they progress on the fourth purpose in their local area.

Our Health and Devolution Working Group provides our ICS members and local government devolution leaders a platform to discuss how health and care services can play in supporting growth and prosperity. We have held all four discussions, co-chaired by Kathy McLean and Sir Richard Leese, and will be publishing a report in May 2024, with a view to informing practice, making recommendations, and starting an ongoing, mutually beneficial conversation ensuring health and local government devolution are aligned.

Following our extensive work to establish the role of the NHS at the centre of society, demonstrating the link between health and the economy and specific work to develop a four-step model for local change, work on this objective is being supported more widely. For instance, through a new regional ICB Social and Economic Development Groups for ICBs to develop their approach and system leadership in relation to the ICB purpose helping the NHS to support broader social and economic development and take the next steps as anchor institutions.

We published *Creating Better Health Value: Understanding the Economic Impact of NHS Spending by Care Setting* with Carnall Farrar, a follow-up to *From Safety Net to Springboard*, which examines local variations in NHS spend and identified which care settings can deliver the most economic output when their funding is increased. We subsequently launched a third report, which explores how investment in community care can improve system productivity, illustrating that a reduction in acute demand associated with this higher community spend could contribute to an average 31 per cent return on investment and net saving of £26 million for an average-sized ICS. We were invited to meet with Helen Whateley, Minister of State for Social Care, who strongly commended the report, to discuss its findings and recommendations.

Our women's health economics work officially kicked off in December 2023. Following that, we received an invitation to attend the Women's Health Inaugural Summit at the Royal College of Gynaecologists, which was attended by the Secretary of State, the Women's Health Ambassador, the chief executive of the National Institute for Health and Care Research, the Minister for Women's Health and Mental Health, among numerous senior system leads and women's health champions, where our work was formally commended by the chief executive of Endometriosis UK as 'something to be hopeful for' on the future for women's health. We have also been invited to speak about the work at numerous conferences and roundtables, including the Women's Health Innovation Summit for Europe.

We were commissioned by Dr Sue Mann of North East London ICS (NHS England's first ever national clinical director for women's health) and Wellbeing of Women to deliver a bespoke economic analysis and assessment of the virtual group consultation menopause services in City and Hackney. While we have not formally published the analysis or findings (which will soon be showcased on NHS England's and NHS Futures platforms), several members have been in touch to understand how to conduct a similar analysis in their own system. City and Hackney has since

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

been able to continue delivering their virtual group consultation model for the menopause and is helping other systems to employ a similar model.

NHS Employers has been leading work to support, engage and represent employer voice on technical education and their reforms as part of the Skills for Jobs and Levelling Up white papers to upscale routes in and in-work development opportunities of the NHS workforce. This is having impact for members. For instance, NHS Lincolnshire Talent Academy shared how its new robust centralised management system, comprising an online student portal, has significantly decreased the amount of time required to deal with work experience applications and admin, and has allowed them to put user experience at the heart of the process.

#### **Securing a sustainably funded health and social care system**

Member feedback consistently suggests that a lack of capital investment in the NHS is one of the central barriers to systems and providers being able to achieve the current volumes and quality of care and meet the required productivity increases. Throughout 2023/24, we have worked to demonstrate the impact of the lack of investment and to highlight where funding has made a material difference to what members are able to deliver and how.

Our report, Investing to Save, informed by member research, set out our detailed quantification of how much capital investment members in England need to begin to meet NHS England's long-term productivity target of 1.5-2 per cent. This £6.4 billion ask is now one of our asks in the run up to the general election. Findings from our report have now been used consistently in media reports and we saw a significant commitment to capital investment (£3.4 billion from 2025/26) in the recent Budget.

Our Acute Network was a major influence on the National Audit Office's report on the New Hospitals Programme. The network had consistently called for capital investment to deliver productivity improvements, representing member concerns about NHS maintenance backlogs, estates and digital infrastructure.

For our membership in Wales, capital investment has also been a big issue. Following our Welsh NHS Confederation's repeated calls for further capital investment and sufficient funding for social care during the budget scrutiny process, it successfully influenced the Welsh Government's Final Budget for 2024/25, resulting in an uplift in both areas.

Having identified barriers in the funding system for ICSs delivering on their core objectives, we created a member and sector expert-led group to develop recommendations for what a better payment system might look like. This resulted in an in-depth publication exploring international and domestic practice to support more efficient, effective and longer-term approaches to delivering integrated care. To make this a reality, we have signed up three ICSs. We have also convinced NHS England that we are a trusted leader in the field and have NHS England's approval to begin developing pilots in 2024/25.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

Our research and thought leadership this year has meant that members and the government are on board with ambitions for 2024/25, which is to develop ways and methods to raise money that sit outside the usual debt/tax mechanisms, also well as how the system can reform how the money is spent.

Following engagement with HMT and DHSC officials, we secured an additional £200 million at the Autumn Statement 2023 and £2.5 billion at the Spring Budget 2024 for members.

Our Welsh NHS Confederation influenced the political narrative and understanding around the unprecedented financial challenges facing NHS organisations in Wales. It shared members' concerns around finance with ministers and members of the Senedd Finance Committee, highlighting the unavoidable rise in costs; the need for further capital investment to improve efficiencies and ensure the sustainability of the health service; and the interdependence of health and social care. Throughout 2023, there were a number of finance and budget announcements which the team responded to which had significant consequences for our members.

Our seminal report with Carnall Farrar, published in September 2023, received ministerial endorsement for demonstrating that increased investment in community services reduces pressure on acute services and increases savings.

Through extensive engagement with over 200 members, our Primary Care Network came forward with a considered view of priorities for general practice in 2024/25 and beyond. The report, released in October 2023, informed negotiations around the next GP contract and primary care network (PCN) specification. The network also released a publication on the Additional Roles Reimbursement Scheme (ARRS), which played a key role in securing government commitment to PCNs and ARRS funding. The government also agreed to increased flexibility, less incentives and more flexibility with ARRS roles, as key asks in our report.

### **Improving healthcare services, capability and leadership**

Our black and minority ethnic mentorship programme was developed last year to support the next generation of black and minority ethnic leaders into leadership roles. This year, the programme assigned 16 mentees to mentors and progress is currently being evaluated with a view to forming further groups from September 2024. One mentor has reported that their mentee has successfully been promoted through support of the programme.

Our programme delivering strategic support for directors with responsibility for tackling equality was launched last year, with ten organisations benefiting from tailored sessions designed to enhance the skills of strategic leaders delivering improvement through tackling inequality. The programme also worked with the Professional Standards Authority to strengthen EDI in the standards for accredited registers, as well as its implementation and guidance.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

More than 100 chief executives benefited from our Acute Network's peer learning and support programme for first-time provider chief executives, the vast majority of whom are acute sector leaders. Non-executive directors (NEDs) have been supported by a programme of work including events, newsletters and best practice publications, while our Non-Executive Leaders Network connects NEDs with chairs and non-executive leaders in other parts of the system in England, Wales and Northern Ireland to debate issues and hear from guest speakers.

Through a series of collaborative sessions, toolkits and policy influencing opportunities throughout the year, the Acute Network has delivered targeted improvement support for members on key issues such as improving patients' experience of their last 1,000 days and improving the interface between primary and secondary care.

Regular networking events and bespoke meetings for community provider leaders are playing an important role in connecting community providers with all parts of the system. The Community Network continues to ensure community providers are linked up through forums including national Chairs Network, provider collaboration work and sector-wide forums.

On mental health, with input from 80 per cent of medical directors in England, our Mental Health Network helped trusts to understand consistency and variations across the country and explored how medical directors can be supported to be effective and impactful in their roles.

Working in partnership with the Health Foundation and Q Community, ICS leaders are being supported to deliver system improvement through a new programme of peer learning. The partnership brings the improvement expertise of the Health Foundation and our networks and relationships together with Q's membership community of over 5,000 people, collaborating to improve the safety and quality of care.

In a drive to support improvement work, the ICS Network held one-to-one interviews with system leaders across the country to gain understanding of their needs and ambitions for system improvement. These conversations informed the new Learning and Improving Access Across Systems partnership, which run alongside our Leading Integration Peer Support Programme and Clinical and Care Professional Leadership offer.

Six workshops run by the ICS Network, NHS England and a consultancy supported ICBs to plan and approach organisational change so they can adapt to planned reductions to integrated care boards' running cost allowance.

Through a learning platform of practical resources, we have supported health and care systems with their work around social and economic development – one of the four core purposes of ICSs. The resources have been accessed 2,214 times to date.

More than 120 primary care network clinical directors and managers have been able to develop and refine their skills in strategic primary care network leadership, through our Primary Care

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

Network's leadership development programmes currently being delivered across the southeast and Greater Manchester.

Improvements in mental health services continue to be supported by the Mental Health Network's dedicated member forums, which provide peer networking, support and learning on the issues that matter. Members have accessed digital mental health, housing, learning disability and autism, and medical directors' forums, as well as joining regular peer-to-peer networking sessions with NHS chairs, independent sector leads, VCSE leads, and mental health and learning disability system leads. The next generation of leaders are supported through Aspiring Mental Health Nurse Directors' professional development programme.

The network also supported 15 trusts to participate in the national Mental Health Act Quality Improvement programme. The resulting learning and improvement ideas were shared across the network's membership and have helped to inform improvement resources, including a cultural needs and care toolkit to better inform care planning with patients, a communications need passport.

Our Welsh NHS Confederation's valued programme of support has enabled the increased sharing of knowledge and expertise across executive director peer groups. This has further improved understanding of whole-system priorities and created the impetus to explore shared challenges and develop collective solutions.

Alongside the lead chief executive and all-peer group chairs, the Welsh Confederation has been working to align all peer groups' priorities with those of the chief executives, ensuring consistency of priorities for NHS leaders in Wales. The organisation's positive relationships with executive director peer groups provides particular insight on members' key concerns, priorities and asks, feeding into our influencing and engagement work with the media and politicians from all political parties.

Our Northern Ireland Confederation for Health and Social Care hosted nine expert and member-led discussion sessions on a variety of topical issues such as ICS progress, new pension flexibilities, the future of the workforce, Encompass, budget briefings, and productivity and efficiency events.

NICON23 Conference, held in October, was highly successful, with over 600 delegates in attendance, 50 exhibitors, and developing relationships with sponsors to secure earned income to reinvest in member services.

Our international work programme supported members with regular peer-learning, income generation and influencing on international exporting and global health engagement.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### Commercial partnerships

In 2023, we delivered the second NHS ConfedExpo, our annual conference and exhibition in partnership with NHS England. Despite the impact of industrial action, bookings far exceeded 2022 (over 7,200) and attendance was significantly up in 2023 (5,422 across the two days). We delivered 141 sessions, secured partners for all content packages and sold out the exhibition with 220 organisations present in the hall. Most pleasingly, 96 per cent would recommend NHS ConfedExpo to a colleague. We launched the 2024 event a month early in October 2023 and sales have exceeded our expectations.

We sold out all opportunities for our network conferences (Integrated Care Systems Network, Mental Health Network and Primary Care Network), secured funding partners for the majority of our policy work. We also launched a new one-day conference, Health Beyond the Hospital. The latter was so oversubscribed we had to increase capacity at the venue to enable members to attend. Across the whole of our events programme, we delivered 139 events between April 2023 – March 2024 for over 20,000 delegates.

Working with PwC, we looked at the opportunities to diversify our income, work which is ongoing through 2024/25 as we develop our offer around leadership development and improvement.

Our venue, Horizon Leeds, was severely impacted by the pandemic, but having pivoted our offer to include a virtual studio and hybrid events, we have brought the venue back into an operating surplus in 2023/24, exceeding our income target by 4 per cent. This is a huge achievement, and we continue to diversify our offering, having launched a new event management service for external partners.

### Plans for 2024/25

#### Supporting the workforce

- **Supporting implementation of the NHS Long Term Workforce Plan:** Across the NHS Confederation we will continue to support the implementation of the NHS Long Term Workforce Plan (LTWP). We will advocate for its delivery to meet the needs of members and enable cross-sector integration, thereby moving towards a 'one workforce' approach. Through NHS Employers, we will develop new supporting materials and highlight existing resources to help members develop local plans. Through case studies, publications and events, our Mental Health Network will seek to influence the workforce implementation plan to ensure it represents members' needs and priorities for future mental health services. Our ICS Network will continue to raise the need for an equivalent plan for social care.
- **Social care workforce strategy:** Given the interlinks between health and social care, NHS Employers will support the development of the social care workforce strategy being led by Skills for Care, developing resources to support integrated thinking.
- **Combatting racism:** Our BME Leadership Network will continue to work with NHS England's Chief Nursing Officer to combat racism and discrimination by engaging chief

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

executives, chairs and frontline staff in reviewing and using the anti-racism resource jointly published with NHS England last year.

- **Supporting leadership development:** Our three diverse leadership support networks are building a leadership development support offer for their members including mentoring programmes, masterclasses and facilitated peer learning.
- **Championing an equal, diverse and inclusive workforce:** Our EDI programme will continue to make the case for efficiency through an equal, diverse and inclusive workforce. It will support members' advocacy work and speak out against the 'anti-woke' narrative.
- **Supporting delivery of the NHS EDI Improvement Plan:** Our leadership support networks will continue to influence and support the implementation of the EDI Improvement Plan through work with 135 staff network leads, to deliver the six high-impact actions.
- **Developing the workforce in Wales:** Working closely with NHS Wales Employers and Health Education and Improvement Wales, the Welsh NHS Confederation will work to build and maintain a motivated, engaged and valued healthcare workforce, with the capacity, competence and confidence to meet the needs of the people of Wales.
- **Workforce mobility:** Our international programme will seek to influence the inaugural Medicinal Products Working Group with the EU taking place in 2024 and discussions on mobility clauses, which we have requested are extended to health and care professionals.

#### Integrating health and care

- **Assessing the state of ICSs:** Our ICS Network will publish its annual flagship report on the progress of ICSs, providing recommendations to drive improvement and impact at system level. Its ambitions are to influence nationally, including building on key calls from the 2023/23 report, which included a social care workforce plan (and funded implementation), a capital spending review, closer working between NHS England and integrated care boards, fewer outcomes-based targets for ICSs with greater autonomy on delivery, and co-production of national policy and guidance with ICSs as the norm.
- **Supporting provider collaboration:** Following the refresh of NHS England's provider collaborative vision in 2024, our Acute Network will run a programme exploring the purpose of collaboratives to deliver at scale, why collaboratives are the vehicle to do this and examples of where this is already being achieved. The Primary Care Network is undertaking a piece of work on the evolution of primary care provider collaboratives, how they are working and opportunities for their future.
- **Improving the Primary/Secondary interface:** together the Primary Care and Acute Networks will lead a 10-month improvement programme working with ten systems to address key barriers to resolving interface issues.
- **Supporting place-based leadership:** Across the Confederation we will support place-based leadership, influencing the centre to support the enabling conditions for place and provider collaborative level collaboration and integrated care delivery.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

- **Exploring the system architecture:** Our ICS Network will launch a major project to explore NHS England and the Department of Health and Social Care's operating model, exploring dynamics across place, neighbourhood and provider dynamics. It will also explore issues such as provider collaboratives and barriers to service transformation.
- **Implementing the Hewitt review:** We will support the implementation of key Hewitt review recommendations, working with a cross-organisation and cross-government working group on issues including funding, targets, regulation and relationship with the centre.
- **Supporting social care:** With social care featuring among key concerns for members, we will continue our work to influence the government on the state of social care to increase capacity and integration opportunities.
- **Exploring health beyond the hospital:** Building on the success of last year's conference, we will deliver the second Health Beyond the Hospital conference, drawing leaders from across our membership and key partners to move forward policy, practice and thinking.
- **Driving primary care reform:** Our Primary Care Network will continue to influence and drive primary care reform, through a key piece of work on the future primary care delivery model as well as work on the development of integrated neighbourhood teams.
- **Embedding clinical and care professional leadership and developing strategic commissioning:** Our ICS Network will undertake a research project with the King's Fund on how systems are embedding clinical and care professional leadership into their structures and processes. The network will also support ICBs to develop strategic commissioning expertise within their workforce.
- **Developing integrated care partnerships (ICPs):** Following the launch of a well-received publication on ICPs in December 2023, our ICS Network will take forward further work to support ICP development, including work on engagement with the wider VCSE sector and how place and ICPs interrelate.
- **Supporting better care coordination:** We will host a series of events to bring together ambulance service leaders and system leaders (including digital and place) to share best practice on care coordination. Stakeholders will be able to engage with examples of best practice and examine how they can make changes to enable care coordination to best develop in their areas.
- **Developing effective mental health strategies:** Working with Rethink Mental Illness, our Mental Health Network will support a group of place-level partnerships to develop effective mental health strategies.
- **Supporting chief people officers (CPOs):** NHS Employers will support provider CPOs to work collaboratively and in systems. It will also explore the emergence of system social partnership forums.

#### Improving population health and tackling inequalities

- **Integrating neighbourhood working:** Working with Local Trust, we will promote and test community-led approaches to health and wellbeing in some of England's most deprived

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

neighbourhoods. The project, focused on integrated neighbourhood working, will broker practical partnerships between Big Local areas (150 communities across England), NHS partners and others with a stake in improving the health and wellbeing of people and places.

- **Developing health protection systems:** Working alongside the UK Health Security Agency, we will develop 'what good likes' guidance for local systems in designing and developing local health protection systems.
- **Influencing and implementing the Major Conditions Strategy:** We will continue to influence the upcoming major conditions strategy and its implementation, as well as adoption of key principles by any incoming government after the general election.
- **Working with housing providers and tackling health inequalities:** Our ICS Network will support members to understand how they can work with housing providers and housing associations on key population health goals. It will also help members develop their health inequalities offers and expertise to deliver better outcomes for their populations.
- **Improving access to services:** The Acute Network will launch a project to examine the relationship between socio-economic deprivation and access to out-of-hospital services for people with multiple long-term conditions.
- **Boosting leadership action on health inequality:** Our EDI programme will continue to work with system leaders to support and encourage improved leadership action on health inequalities. The programme's work will facilitate peer learning between board members, and between and within systems.
- **Delivering health inequality improvement through practical support:** Our EDI programme will work with more systems and providers to deliver practical improvement support through the use of the five-step model.
- **Moving forward mental health:** Moving forward mental health in England, and care and services for people with a learning disability and/or autism, remains the central focus of the Mental Health Network. This year work will include lobbying for reform of the Mental Health Act and engaging with the Ministry of Justice and Department of Health and Social Care to maintain momentum on legislative and non-legislative reforms. With the general election on the horizon, the network will engage with the Labour Party to help it plan implementation and will also engage with government around manifesto development. The network will also deliver a programme of activity to support members to improve services and outcomes for children and young people and, working with the EDI programme, explore how to reduce racial inequalities in mental health services.
- **Improving health and wellbeing in Wales:** Throughout the year the Health and Wellbeing Alliance, led by our Welsh NHS Confederation, will build its profile and narrative through engagement and partnerships with other sector leaders. Working in partnership with the Arts Council, the organisation will raise awareness of the benefits of the arts on health. To address health inequalities and challenges, the Welsh Confed will put NHS leaders' views forward to Welsh Government and all the political parties. With the election of a new Welsh Labour leader, and therefore a new First Minister, the Welsh NHS Confederation will continue to play a key role in engaging with and influencing the political

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

narrative. Engaging with new Cabinet Ministers, the media and stakeholders we will raise awareness of the priorities for NHS leaders and the solutions they are putting forward in response to the challenges we face. Our strategic aim remains to support the NHS in Wales to improve the health and wellbeing of the population and the planning and delivery of high-quality health and care.

### Driving digital and innovation

- **Exploring the productivity gains of virtual wards:** Working with a partner, we will research and establish the benefits of virtual wards from the point of view of productivity and outcomes, and the best way to maximise them.
- **Surfacing the learning from cleaner air schemes:** We will review the cleaner air pilot schemes and evaluate their success and roll out, drawing out learning for other ICSs to understand and adopt.
- **Improving digital inclusion:** To support members, we will work with a partner to implement the framework for digital inclusion through service redesign and adopting a stronger focus and use of principles for inclusion across all pathways for digital care.
- **Moving forward the NHS's digital capability:** We will continue our work on the ICS Digital Leaders Programme, delivered jointly with NHS Providers, to support ICSs to deliver system-level digital strategies. We will also support our trusts members to implement change and productivity in the roll out of electronic patient records.
- **Funding innovation:** To accelerate innovation we will research and establish a list alternative funding mechanisms for funding innovation and implementation and how they can support members challenges financing preventative innovations.
- **Making best use of digital and data in primary care:** Our primary care network's digital and data groups will support implementation of the Digital Framework, OPEL and data-sharing agreements. Through our ICB directors of primary care group, we will undertake a piece of work to improve reporting of primary care activity at an ICB level.
- **Improving digital mental health:** Our Mental Health Network will lead a community of practice for place-based leaders and local authority leaders leading on digital mental health in systems.

### Enhancing the NHS's role in economic development

- **Investing in women's health:** Building on the work programme launched in December 2023, we will make the case to government that investment in women's health, including but not limited to the women's health strategy, will drive returns to the wider economy. We will continue working with local leaders to assess low cost / low risk intervention strategies that can drive returns to systems and local economies, as we have done in our work with City and Hackney. And we will issue a national report arguing for further investment in women's health. Our initial focus for investment will be services and training.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

- **Amplifying the value of health:** We will release two further reports as part of our Value in Health series with Carnal Farrar, looking at achieving technical and allocative efficiency as well as local economic development through NHS investment.
- **Aligning health and prosperity:** As part of the Commission on Health and Prosperity, we will work with a small selection of health and care leaders to co-produce and test a set of guiding principles to align health with prosperity, which ICSs can draw on in their work.
- **Understanding the barriers to health on the high street:** We will continue to work with our community of practice, delivered with Dorset ICS and Legal and General, to support five ICSs to understand key barriers.
- **Lifting the health barriers to good work:** Through a 12-month secondment programme with Department for Work and Pensions/Department of Health and Social Care involving original research and member and stakeholder engagement, we will help address some of the long-standing health barriers to good work.
- **Developing anchor systems:** NHS Employers will continue to provide advice, guidance and communities of practice to support better and more inclusive recruitment processes/time to hire, given the NHS's role as an anchor employer and developing of anchor systems).

#### Securing a sustainably funded health and social care system

- **Identifying barriers to social finance:** Working with partners, we will identify barriers to further social finance and form a working group with the government to address them, where we can. We will also support members to understand and scope potential outcomes-based contracts.
- **Exploring capital funding solutions:** As detailed in our general election manifesto, we have quantified the scale of capital investment needed for the NHS in England. To take this further, we will investigate how this could be paid for.
- **Piloting payment system reform:** Building on our payment mechanisms report, we will work with a number of ICSs as a pilot, developing the report's ideas into practical solutions to try in their system in 2025/26. Where possible, we will work alongside NHS England and the Department of Health and Social care.

#### Wider cross-organisation planned initiatives and considerations

- **General election:** With the NHS one of the main issues affecting voters across the UK, we will ramp up our work to influence the main political parties' plans and thinking ahead of the election. We will also work with the new government to build the health of the nation.
- **NHS ConfedExpo:** We will work to host our third annual conference and exhibition in partnership with NHS England. A significant amount of work will go into developing and delivering sessions at this year's NHS ConfedExpo conference. This represents work that continues throughout the year and significantly contributes to both delivering and celebrating the work we do, alongside many partners, towards our goals.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

- **Protecting the NHS:** Our international programme will work to influence domestic bodies and the government to influence the overall position taken by the Foreign, Commonwealth and Development Office in future negotiations with the EU to protect the NHS.

#### Improving healthcare services, capability and leadership

- **Delivering system improvement:** Working in partnership with the Health Foundation and Q Community, we will continue our programme of work, including peer learning, to support system improvement. The partnership brings the improvement expertise of the Health Foundation and our networks and relationships together with Q's membership community of over 5,000 people, collaborating to improve the safety and quality of care.
- **Boosting interface working:** Following its successful launch in 2024, we will continue our work to improve interface working between primary and secondary care. This is a key project and a core part of our commitment to support leaders to deliver impactful improvement work to respond to national and local challenges.
- **Developing inclusive leaders:** We will support the development of inclusive leadership through our anti-racism strategy; showcasing practice in disability and address the inequalities faced by disabled staff; and establishing a Diversity Taskforce looking at recruitment and employment. This will augment the strategic support for directors with responsibility for tackling inequality that we are already delivering to a first cohort of ten organisations, with a second cohort coming on board in October. The programme will also build and deliver an inclusive leadership development offer for EDI directors and deliver leadership support for diverse staff.
- **Building capability in primary care:** The Primary Care Network will continue its leadership development programme with primary care leaders with peers and wider system partners to share learning, build capability, strengthen relationships and support integration.
- **Embedding improvement in Northern Ireland:** Working closely with the wider Confederation, our office in Northern Ireland will develop its improvement activities and explore opportunities for greater links into the Confederation's work and programmes.
- **Supporting board leadership in Northern Ireland:** Our Northern Ireland Confederation will develop a leaders support programme to support board leadership. It will also provide a package of support for chairs.
- **Supporting aspiring mental health leaders:** The Mental Health Network will deliver key leadership development programmes including Aspiring Mental Health Nurse Directors Forum and Medical Leaders Chief Executive Forum.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### Structure, governance and management

The charity is a company limited by guarantee and was incorporated on 23 January 2002. The charity's latest articles of association and byelaws were adopted at a general meeting of members on 16 June 2021.

The charity has a subsidiary called The NHS Confederation (Services) Company Limited incorporated as a company limited by guarantee (company number: 05252407).

### About us

The NHS Confederation is an independent membership body. Membership is open to any statutory NHS or health and social care service organisation within the UK, and any other health or social care body that is approved by the board of trustees. Our membership is drawn from the full breadth of organisations that oversee, commission and provide healthcare services in England, Wales and Northern Ireland, including acute and community trusts, integrated care systems, mental health trusts, independent providers and statutory NHS bodies in Northern Ireland and Wales. We also represent ambulance trusts through the Association of Ambulance Chief Executives.

The NHS Confederation helps its members commission and deliver high-quality, patient-focused care for the public by enabling them to learn from each other, acting as their public voice and the voice of the whole healthcare system and helping to shape the system in which they operate. We do this by providing strong voices for our members through the different networks and devolved jurisdictions that form the NHS Confederation, including the Acute & Community Network, the Mental Health Network, the Primary Care Network, the Integrated Care Systems Network, the Welsh NHS Confederation, and the Northern Ireland Confederation for Health and Social Care.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services. We uphold our duty of public benefit by being an outstanding membership organisation that brings together and speaks on behalf of organisations that plan, commission, and provide NHS services in England, Northern Ireland and Wales.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit as outlined here and on page 5.

### Board of trustees

The charity's existing articles of association allow for a board size of no less than three and no more than 15 trustees.

Following a change to the NHS Confederation's articles and byelaws in June 2021, the board is able to appoint nominated trustees from networks and devolved jurisdictions, and co-opt additional trustees for their skills and experience, provided that the board size does not exceed 15. The trustee nomination and appointment system as set out in the byelaws took effect from July 2022. The changes in June 2021 also confirmed that the trustees are the only members of the charity ("Company Law Members") and any member decision required under company law will be reserved for Company Law Members.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### Recruitment of trustees

During the financial year, we recruited four new trustees to the board. Three were drawn from networks, the vacancies arose due to the previous network trustees resigning from their roles. One Trustee was appointed as an Independent Trustee following a recruitment process. One Network Trustee transferred to become an Independent Trustee following their resignation as Chair of a network.

### Induction of new trustees

New trustees have induction meetings with the board chair, the CEO, and relevant members of the senior management team. Inductions are tailored as per requirements of the trustees and their prior knowledge or engagement with NHS Confederation prior to appointment. From time to time, lawyers or other advisers are invited to attend board meetings to update trustees on charity governance issues and remind the board of their legal and fiduciary duties.

## Strategic report

### Trustees

The following trustees, who are also the directors of the charity for the purpose of company law, served during the year and up to the date the financial statements were signed.

Lord Victor Adebawale, Chair

Prof Joseph Harrison

Michael Bloomfield (resigned 21 March 2024)

Nanda Ratnavel

Valerie Morton

Marie Gabriel

Dr Pramit Patel

Dame Jackie Daniel

Ifti Majid

Charles David Skinner (resigned 27 July 2023)

Dr Peta Foxall, Senior Independent Trustee

Emma Woollett (transferred to serve as an Independent Trustee for the remainder of their term)

Fiona Edwards (appointed 27 July 2023)

Paul Davies (appointed 11 October 2023)

Jonathan Patton (appointed 21 March 2024)

Jonathan Morgan (appointed 21 March 2024)

### Attendance of trustees at NHS Confederation board meetings

The board of trustees formally met on 18 May 2023, 27 July 2023, 5 October 2023, 7 December 2023 and 21 March 2024. The attendance record from formal board meetings is as shown below.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

| Name  | Attendance |
|---|------------|
| Lord Victor Adebowale, Chair                  | 5/5        |
| Prof Joseph Harrison                          | 3/5        |
| Michael Bloomfield                            | 4/5        |
| Nanda Ratnavel                                | 4/5        |
| Valerie Morton                                | 5/5        |
| Marie Gabriel                                 | 3/5        |
| Dr Pramit Patel                               | 3/5        |
| Dame Jackie Daniel                            | 4/5        |
| Ifti Majid                                    | 3/5        |
| Charles David Skinner (resigned 27 July 2023) | 0/2        |
| Dr Peta Foxall, Senior Independent Trustee    | 5/5        |
| Emma Woollett                                 | 3/5        |
| Fiona Edwards (appointed 27 July 2023)        | 4/4        |
| Paul Davies (appointed 11 October 2023)       | 2/2        |
| Jonathan Patton (appointed 21 March 2024)     | 1/1        |
| Jonathan Morgan (appointed 21 March 2024)     | 1/1        |

### Scheme of delegation

A scheme of delegation lays out trustees' responsibilities and those delegated to the board's subcommittees, senior management and staff. This, together with a full set of operational policies and procedures, determines the conduct of senior management and other employees.

### Committees of the board

The board had three sub-committees in 2023/24: the audit and risk committee, the remuneration committee, and the finance and operations committee.

The audit and risk committee is comprised of three trustees and two independent members and is responsible for advising the board on the charity's annual accounts, including compliance with statutory and other legal requirements, the oversight of risk and the associated control structure, and for managing the relationship with internal and external auditors.

#### Audit and risk committee attendance record

|   |     |
|---|-----|
| Nanda Ratnavel, Chair of Audit and Risk Committee                     | 4/4 |
| Michael Bloomfield, Trustee Committee Member (resigned 21 March 2024) | 2/4 |
| Mark Stevenson, Independent Committee Member                          | 4/4 |
| Liz May, Independent Committee Member (resigned 27 July 2023)         | 1/2 |
| Peta Foxall, Trustee Committee Member                                 | 4/4 |
| Weiyen Hung, Independent Committee Member (appointed 5 October 2023)  | 2/2 |

The remuneration committee is comprised of at least four trustees. It is responsible for determining the executive pay framework and agreeing specific recommendations relating to executive pay; determining the policy for and scope of the annual cost-of-living or performance-related award for all NHS Confederation staff, and ensuring that application of this remuneration policy is equitable, fair and transparent; ensuring that contractual terms on termination and any

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

payments made are fair to the individual and the organisation and that failure is not rewarded; and reviewing remuneration trends across the organisation.

#### Remuneration committee attendance record

|   |     |
|---|-----|
| Valerie Morton, Chair of Remuneration Committee | 3/3 |
| Prof Joseph Harrison, Trustee Committee Member  | 2/3 |
| Marie Gabriel, Trustee Committee Member         | 3/3 |
| Peta Foxall, Trustee Committee Member           | 3/3 |

The finance and operations committee is comprised of at least three members, the majority of which are trustees. Its remit is to give the board a closer and clearer understanding of the charity's core financial and operational processes, while ensuring the regular review of its financial performance and delivery of infrastructure projects. The committee also advise the board on the charity's investment strategy. To ensure that the work of the finance sub-committees is aligned, the chair of the audit and risk committee is also a member of the finance and operations committee.

#### Finance and operations committee attendance record

|  |     |
|--|-----|
| Nanda Ratnavel, Trustee Committee Member/Chair of Audit & Risk Committee | 5/5 |
| Suneet Kumar, Independent Committee Member (resigned 27 July 2023)       | 0/1 |
| Charles David Skinner, Chair of the Committee (resigned 27 July 2023)    | 0/1 |
| Emma Woollett, Trustee   | 5/5 |
| Paul Davies, Trustee/Chair of the Committee (appointed 11 October 2023)  | 2/3 |

### Network and country boards

In accordance with the existing articles of association and scheme of delegation, the board delegates specific powers to the boards of the networks and countries, which entitles them to manage their own affairs subject to the reasonable requirement of the trustees.

### Pensions and remuneration package

The organisation operates three pension schemes.

The organisation operates a Scottish Widows salary exchange defined contribution pension scheme. The organisation contributes 6 per cent with staff contributing a minimum of 3 per cent. For a small number of staff who were in the scheme prior to auto enrolment in 2012, the organisation contributes 9 per cent with staff contributing a minimum of 6 per cent. There are also a range of other benefits available to all employees including flexible working; non-contributory life assurance cover; childcare vouchers and a cycle-to-work scheme (via a salary sacrifice scheme).

The NHS Confederation (through a direction body agreement) maintains access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Schemes for staff who are recruited from these sectors (or are employed on protected terms) and already contribute to these defined benefit schemes. The organisation contributes 14.38 per cent to the

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

NHS Pension Scheme and 28.97 per cent to the Civil Service Scheme. We currently have 42 staff who are on the NHS Pension Scheme and 5 in the Civil Service Scheme.

#### Chief executive and director pay

The remuneration committee is responsible for setting the pay for the chief executive and directors. A framework based on the Korn Ferry job evaluation methodology is used to determine the range of director and chief executive pay and total remuneration is agreed by the remuneration committee.

#### Related parties

Marie Gabriel, a trustee, is remunerated through monthly payments for their term as chair of the Race and Health Observatory. This was established in accordance with the organisation's trustee remuneration policy where the board of trustees, excluding the trustee in question, must satisfy themselves that the payment is justified and compliant with Charity Commission regulations.

The NHS Confederation is the sole controller of the trading subsidiary The NHS Confederation (Services) Company Limited, registered company number 05252407. The company exists to provide a range of non-charitable activities on behalf of the NHS Confederation, including:

- organising and delivering the NHS Confederation annual conference and exhibition
- a range of other conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties

The directors of the subsidiary company are Emma Woollett (chair of the subsidiary board and charity trustee), Matthew Taylor (subsidiary board director and CEO of the charity), John O'Brien (subsidiary board director and commercial director of the charity), Nikki Barraclough (subsidiary board director and director of finance and IT at the charity), Paul Davies (trustee and chair of the finance and operations committee), Zoe Bedford (non-executive director of the subsidiary) and Philip Kenmore (non-executive director of the subsidiary). The NHS Confederation has no financial or controlling interest in any other organisation.

Certain costs incurred by the charity are recharged to the subsidiary, reflecting an estimation of their usage. The methodology for this recharge is agreed by both parties as part of the budget-setting process each year, or is set out in the Resource Sharing Agreement.

#### Trustee remuneration

In accordance with the articles of association and consent from the Charity Commission, the NHS Confederation chair/ interim chair is remunerated at £50,000 per annum for eight to ten days per month. The senior independent trustee is responsible for liaising with the other trustees to set the annual objectives for the chair and for reviewing performance annually.

As detailed above in related parties, Marie Gabriel, another trustee, is remunerated for their term as chair of the Race and Health Observatory.

No other trustees received remuneration for their services.

In 2023/24 the total expenses incurred by seven (2023: ten) of our trustees in relation to travel, accommodation, and subsistence costs while on NHS Confederation business was £3,590 (2023: £3,133).

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### **Governance review and Charity Governance Code**

Trustees conducted a governance review that concluded in June 2021 with the adoption of new Articles and Byelaws. The Charity Governance Code was adopted by trustees in 2022. In accordance with the Code, a board performance review took place in March 2023, led by an external organisation, Campbell Tickell. Overall, the findings were positive with some areas for development identified that have been addressed.

### **Data protection**

The NHS Confederation is fully committed to meeting requirements of the Data Protection Act 2018 and the UK General Data Protection Regulation 2021. Mandatory data protection training for staff and trustees is delivered through an e-learning module and staff are encouraged to attend one of the quarterly run virtual training sessions via Teams. Compliance reports on data breaches and subject access requests are provided to the audit committee at each of its meetings.

### **Risk management and board assurance**

The trustees of the NHS Confederation are aware of their responsibilities relating to risk management under the requirements of the Statement of Recommended Practice for Accounting and reporting by Charities (SORP).

The trustees are responsible for considering the strategic risks, which are documented on a risk register that evaluates the residual risk (post-mitigating action) against the risk appetite set by the trustees. The register also contains the board assurance framework, outlining three lines of 'defence' in providing assurance. Trustees revisit and set the risk appetite annually.

The register and the mitigating actions are reviewed at every meeting of the audit and risk committee to ensure the actions are having the desired impact and that the risk is therefore at an acceptable level. The chief executive attends these meetings to report on corporate risks. At an operational level, operational risks are considered within departments and mitigated against. Trustees have set a clear risk policy, revised in March 2022, which is underpinned by risk management practices across the organisation.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The risk register outlines 17 strategic risks, with the principal risks being summarised as:

| Risk  | Mitigation and assurance  |
|---|---|
| Loss of, or significant reduction in income to the charity – either through contracts, membership income or success in commercial ventures                                      | Effective relationship and contract management<br>Implementation of commercial and income strategy to develop new income streams<br>Formal contract management meetings<br>Governance and reporting on programmes<br>Regular financial forecasting<br>Governance-level oversight of all key income activity |
| Reduced influence in achieving positive outcomes for objectives - inc inability to respond to policy changes, ineffective representation of our members, or changes politically | Effective relationship management and member engagement<br>Membership insights and effective renewal management. Clear prioritisation of our policy work and where we can add best value. Broad engagement of political parties, government departments and key stakeholders.                               |
| Reduced reputation, leading to reduced impact- either through a non-compliance issue, recruitment and retention of staff, ineffective management or cyber attack                | Clear compliance programme in place, clear governance and project management frameworks. Positive staff engagement centred around our values and behaviours.  |

### How directors have engaged with staff

#### Communication

Once a month we have an all-staff briefing for all employees at the NHS Confederation, this briefing is chaired by the Chief Executive, or in their absence another member of the group executive.

We hold an in-person staff conference once a year. Usually, the day will include a session which is focused on directors/group executive, with the Chief Executive addressing all staff and holding a Q&A session.

All staff and directors have access to an internal intranet, where corporate news is shared on a regular basis to inform staff of important things happening across the organisation, such as policy changes, pay updates, corporate events etc. Finance updates are shared both on the intranet and at all-staff briefings.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### Trade unions

The NHS Confederation recognises two trade unions for the purpose of collective bargaining and any contractual employment policy matters. Our recognised unions are Unite and Unison.

The Joint Negotiating Committee is the formal meeting during which negotiations between management at the NHS Confederation and trade union representatives take place. The meeting is chaired by the Deputy Chief Executive and the Director of People and Governance is the vice chair. Meetings are held at least quarterly and more frequently when needed.

### Staff engagement

At the NHS Confederation we have a staff engagement group. This group is formed of staff who represent different staff groups from across the organisation, and they meet quarterly with the Chief Executive. The purpose of the group is to provide a platform for informal, open dialogue between the Chief Executive and staff to support improved engagement.

Every two years the NHS Confederation runs a staff engagement survey. It is designed to capture all aspects of our employees' experience working here and what it feels like to work at the Confederation. It also gives us a picture of how we are progressing between each survey – capturing data on purpose, wellbeing, reward, diversity, equality and inclusion, sustainability, and culture.

### Disabled policy

The NHS Confederation recruitment policy and processes are committed to ensuring that legislative and equality responsibilities are met, the process will be fair and transparent at every stage and ensure equality of opportunity for all applicants and all appointment decisions can be evidenced as free from any form of bias. This includes the following:

- Advert wording must be inclusive and avoid bias to prevent the exclusion of any individuals with protected characteristic
- The most suitable applicants based on the essential criteria for the role. A minimum of two people (the panel) is required to shortlist, independent of each other, to reduce the possibility of bias
- Blind shortlisting as part of our EDI recruitment practice.
- Representative panel – mixed panel with 1 panel member from a protected characteristic
- Reasonable adjustment - In accordance with the Equality Act 2010, all candidates are asked to advise if there are any arrangements or reasonable adjustments that could be made to allow them to participate fully in the selection process.
- All offers of employment are subject to a health questionnaire to ensure the candidate is fit to fulfil all the requirements of the role and to identify any reasonable adjustments which may be required.

The Confederation has many supportive measures in place for staff who become disabled such as our health and wellbeing hub, manager tools to support their team members, access to EAP, counselling and Occupational health and access to the 24/7 spectrum health app. They would also be supported through our managing health and wellbeing policy and absence policy which supports individuals with time off for appointments and any disability related absence is not accounted for when looking at time off and absence triggers.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

Our Disability Inclusion Group is a member of Purple Space, a development hub for disabled employees. There is ongoing training and support for staff such as EDI training, neurodiversity week and a health & Wellbeing hub with access to Employee Assistance and wellbeing app.

All staff with a disability have equal opportunities to access training, career development and promotion, which is supported through the Employee Impact and continuous improvement policy.

### Finance review

#### Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the 12-month forward-looking cash flow, and the annual review of the three-year plan. The most recent version of the three-year plan estimated an overall deficit position of £0.6m for 2024/25, however the budgeted position came out as a deficit of £1.4m due to various spending from reserves that was approved by Trustees at budget setting. We have sufficient reserves to cover this planned deficit, with expectation that we will achieve breakeven operating position for 2025/26 onwards.

Our membership income remains robust and commercial income opportunities are budgeted to increase as our conference, event and income diversification activity increases.

We received notification during 2023/24 that a significant contract (~£8m per year) will be put out to tender during 2024/25, with the winning bidder taking the new contract on from 1<sup>st</sup> April 2025. Should we fail to win this tender, we would need to change the structure of the organisation to reduce costs in line with the reduced income. Any changes would be implemented from 2025/26 onwards.

#### Income and expenditure

Income for the year increased by £1.2 million to £23.8 million (2023: £22.6 million) due to increased income across our membership and commercial income streams. The Charity does not carry out significant fundraising activities.

Expenditure for the year was £24.7 million (2023: £22.1 million). The increase is due to delivering more events, and investment in our pay structure.

After gains on our investments of £0.5m (2023: loss of £0.4m), the operating deficit for the year was £0.4 million (2023: surplus of £0.1 million).

#### Reserves policy

The target for free reserves continues to be based on the closure costs for the organisation alongside some ringfenced amounts to cover known contract risk, the calculation of which is reviewed annually by trustees. The target range for reserves is £5.7 million to £7.3 million. At 31 March 2024, the total funds balance stood at £9.1 million (2023: £9.5 million), with the amount of free reserves (those not represented by fixed assets) standing at £9 million (2023: £9.3 million).

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

---

This is higher than the range stated in our reserves policy. The 2024/25 budget is a deficit of £1.4 million, which includes spending of £1.1 million on high impact one-off projects.

This high reserves balance needs to be viewed in light of the upcoming financial risk of potential loss of contract income linked to a number of contracts going out to tender in 2024/25. It is likely some reserves will be needed to facilitate a smooth change process in the event that funding is reduced. The reserves target range currently includes some contract risk provision, so this target range will reduce when it is reviewed in September 2024. At this point, further consideration will be given as to how best to use any remaining reserves balance to bring it more in line with policy.

#### **Investment policy**

The trustees determine that the objective of holding the investment portfolio is to secure a balance between income and long-term capital growth, achieving total returns in real terms over a five-to-seven-year timeframe. The portfolio is currently managed by Sarasin and Partners LLP, a firm of investment managers, and the funds continue to be held in the Sarasin Climate Active fund. The finance and operations committee continues to review the investment policy and objectives and performance of the investment portfolio.

As a charity that is closely associated with the NHS and health generally, careful consideration is given to ethical factors in the choice of investments. Where it is felt that an investment conflicts with the charity's objective of promoting better healthcare, no investment will be made. For example, tobacco companies. Similarly, investments will not be made in any companies involved in controversial industries such as armaments, gambling, alcohol, or pornography. Discretion may be exercised where the core business of a company is consistent with our ethical position. For example, a supermarket selling a wide range of products, including tobacco. The investment fund manager is tasked with providing regular updates to the finance and operations committee on its compliance with the agreed ethical guidelines.

The investment portfolio achieved a gain of £0.5 million for 2023/24 compared with a loss of £0.4m in 2022/23. The investments generated £222,247 of investment income in the year (£193,068 in 2022/23). At the end of this financial year, the investment portfolio was valued at £6.87 million (2023: £6.36 million).

The trustees recognise and accept the risks involved in making investments in order to generate capital growth to protect the funds against inflation, as well as providing a modest income.

#### **Qualifying third party indemnity provisions**

The charitable company has made qualifying third party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

#### **Auditor**

In accordance with the existing articles of association, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put to a General Meeting.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

---

### Statement of disclosure to auditor

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each trustee has taken all the necessary steps to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The trustees' report is prepared under the Charities Act 2011, which also contains all information required in a directors' report by the Companies Act 2006 and the incorporated strategic report prepared under the Companies Act 2006, were approved by the board of trustees on 25<sup>th</sup> July 2024 and signed on their behalf by:

DocuSigned by:  
*Lord Victor Adebawale*  
Signed: .....9E71B691D9554A6.....

Lord Victor Adebawale  
Name: .....  
Trustee

# **THE NHS CONFEDERATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 MARCH 2024**

---

The trustees, who are also directors of the NHS Confederation for the purpose of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION FOR THE YEAR ENDED 31 MARCH 2024**

---

We have audited the financial statements of The NHS Confederation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION FOR THE YEAR ENDED 31 MARCH 2024**

---

## **Other information**

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION**

## **FOR THE YEAR ENDED 31 MARCH 2024**

---

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION FOR THE YEAR ENDED 31 MARCH 2024**

---

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION FOR THE YEAR ENDED 31 MARCH 2024

---

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
2C6B962CB9674C7...

Laura Masheder (Senior statutory auditor)

for and on behalf of

## **BHP LLP**

Statutory Auditor

Chartered Accountants

First Floor

Mayesbrook House

Lawnswood Business Park Leeds

LS16 6QY

Date: 25-Sep-2024 | 17:49 BST

# THE NHS CONFEDERATION

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

|  | Notes | Unrestricted<br>Funds 2024<br>£ | Restricted<br>Funds 2024<br>£ | Total Funds<br>2024<br>£ | Total Funds<br>2023<br>£ |
|--|-------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income from:</b>  |       |                                 |                               |                          |                          |
| Charitable activities  | 3     | 18,195,888                      | 285,614                       | 18,481,502               | 19,138,080               |
| Other trading activities   | 4     | 4,743,165                       | –                             | 4,743,165                | 3,124,615                |
| Investments  | 5     | 563,685                         | –                             | 563,685                  | 321,419                  |
| <b>Total income</b>  |       | <u>23,502,738</u>               | <u>285,614</u>                | <u>23,788,352</u>        | <u>22,584,114</u>        |
| <b>Expenditure on:</b>   |       |                                 |                               |                          |                          |
| Charitable activities  | 6     | 20,343,445                      | 285,614                       | 20,629,059               | 19,721,246               |
| Raising funds  | 8     | 4,077,076                       | –                             | 4,077,076                | 2,391,690                |
| <b>Total expenditure</b>   |       | <u>24,420,521</u>               | <u>285,614</u>                | <u>24,706,135</u>        | <u>22,112,936</u>        |
| <b>Net (expenditure)/income before<br/>other recognised gains/(losses)</b> |       | (917,783)                       | –                             | (917,783)                | 471,178                  |
| Net gains/(losses) on investments  | 14    | 503,263                         | –                             | 503,263                  | (373,114)                |
| <b>Net (expenditure)/income</b>  |       | <u>(414,520)</u>                | <u>–</u>                      | <u>(414,520)</u>         | <u>98,064</u>            |
| <b>Net movement in funds</b>   |       | <u>(414,520)</u>                | <u>–</u>                      | <u>(414,520)</u>         | <u>98,064</u>            |
| Total funds brought forward  |       | 9,540,774                       | –                             | 9,540,774                | 9,442,710                |
| <b>Total funds carried forward</b>   |       | <u><u>9,126,254</u></u>         | <u><u>–</u></u>               | <u><u>9,126,254</u></u>  | <u><u>9,540,774</u></u>  |

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All income and expenditure derive from continuing activities.

The notes on pages 46-68 form part of these financial statements.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in the financial statements.

# THE NHS CONFEDERATION

Company Registration No. 04358614

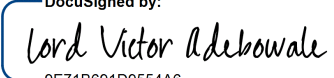
## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

|   | Notes | 2024              |                  | 2023              |                  |
|---|-------|-------------------|------------------|-------------------|------------------|
|   |       | £                 | £                | £                 | £                |
| <b>Fixed assets</b>                                   |       |                   |                  |                   |                  |
| Intangible fixed assets                               | 12    |                   | 41,960           |                   | 62,124           |
| Tangible fixed assets                                 | 13    |                   | 80,760           |                   | 167,244          |
| Investments   | 14    |                   | 6,871,550        |                   | 6,358,929        |
|   |       |                   | <u>6,994,270</u> |                   | <u>6,588,297</u> |
| <b>Current assets</b>                                 |       |                   |                  |                   |                  |
| Debtors   | 15    | 6,580,993         |                  | 6,667,597         |                  |
| Cash at bank  |       | 8,145,154         |                  | 7,296,169         |                  |
|   |       | <u>14,726,147</u> |                  | <u>13,963,766</u> |                  |
| <b>Creditors: amounts falling due within one year</b> | 16    | (12,300,716)      |                  | (10,863,600)      |                  |
| Net current assets                                    |       |                   | <u>2,425,431</u> |                   | <u>3,100,166</u> |
| <b>Total assets less current liabilities</b>          |       |                   | <u>9,419,701</u> |                   | <u>9,688,463</u> |
| Provisions for liabilities                            | 17    |                   | (293,447)        |                   | (147,689)        |
| <b>Total net assets</b>                               |       |                   | <u>9,126,254</u> |                   | <u>9,540,774</u> |
| <b>Income funds</b>                                   |       |                   |                  |                   |                  |
| <u>Unrestricted funds:</u>                            |       |                   |                  |                   |                  |
| Funds represented by fixed assets                     |       | 122,720           |                  | 229,368           |                  |
| General unrestricted funds                            |       | 9,003,534         |                  | 9,311,406         |                  |
| <b>Total funds</b>                                    | 20    |                   | <u>9,126,254</u> |                   | <u>9,540,774</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of financial statements.

The notes on pages 46-68 form part of these financial statements.

The financial statements were approved and authorised for issue by the board of trustees on 25<sup>th</sup> July 2024 and are signed on their behalf.

DocuSigned by:  
  
 Signed: 9E71B691D9554A6.....

Lord Victor Adebowale  
 Name: .....

Trustee

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CHARITY BALANCE SHEET AS AT 31 MARCH 2024

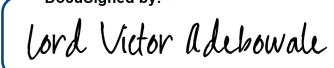
|   | Notes | 2024             |                  | 2023             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 12    |                  | 41,960           |                  | 62,124           |
| Tangible fixed assets                                 | 13    |                  | 80,760           |                  | 167,244          |
| Investments   | 14    |                  | <u>6,871,550</u> |                  | <u>6,358,929</u> |
|   |       |                  | 6,994,270        |                  | 6,588,297        |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 15    | 5,497,397        |                  | 5,578,505        |                  |
| Cash at bank  |       | <u>5,634,789</u> |                  | <u>5,708,627</u> |                  |
|   |       | 11,132,186       |                  | 11,287,132       |                  |
| <b>Creditors: amounts falling due within one year</b> |       |                  |                  |                  |                  |
|   | 16    | (9,884,225)      |                  | (9,579,737)      |                  |
| Net current assets                                    |       |                  | <u>1,247,961</u> |                  | <u>1,707,395</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>8,242,231</u> |                  | <u>8,295,692</u> |
| Provisions for liabilities                            | 17    |                  | (213,001)        |                  | (147,689)        |
| <b>Total net assets</b>                               |       |                  | <u>8,029,230</u> |                  | <u>8,148,003</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 122,720          |                  | 229,368          |                  |
| General unrestricted funds                            |       | 7,906,510        |                  | 7,918,635        |                  |
| <b>Total funds</b>                                    | 20    |                  | <u>8,029,230</u> |                  | <u>8,148,003</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of financial statements.

The charitable company's gross income for the year was £18,990,407 (2023 - £19,987,478) and result for the year was a net decrease in funds of £118,773 (2023 – net decrease of £388,149).

The notes on pages 46-68 form part of these financial statements.

The financial statements were approved and authorised for issue by the board of trustees on 25<sup>th</sup> July 2024 and are signed on their behalf.

DocuSigned by:  
  
 Signed: .....  
0E71B691D9554A6...

09-Sep-2024 | 15:17 BST  
 Name: .....

Trustee

**THE NHS CONFEDERATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

|   | Notes | 2024<br>£      | £                       | 2023<br>£      | £                       |
|---|-------|----------------|-------------------------|----------------|-------------------------|
| <b>Cash flows from operating activities</b>                   |       |                |                         |                |                         |
| Cash generated from operations                                | 22    |                | <u>298,904</u>          |                | <u>445,205</u>          |
| <b>Net cash inflow from operating activities</b>              |       |                | 298,904                 |                | 445,205                 |
| <b>Cash flows from investing activities</b>                   |       |                |                         |                |                         |
| Purchase of tangible fixed assets                             |       | (4,246)        |                         | (13,061)       |                         |
| Purchase of investments                                       |       | (9,358)        |                         | (6,703,173)    |                         |
| Sale of investments   |       | –              |                         | 5,198,467      |                         |
| Dividends and interest received                               |       | <u>563,685</u> |                         | <u>321,419</u> |                         |
| <b>Net cash generated from/(used in) investing activities</b> |       |                | <u>550,081</u>          |                | <u>(1,196,348)</u>      |
| <b>Net increase/(decrease) in cash and cash equivalents</b>   |       |                | 848,985                 |                | (751,143)               |
| <b>Cash and cash equivalents at beginning of year</b>         |       |                | 7,296,169               |                | 8,047,312               |
| <b>Cash and cash equivalents at end of year</b>               | 23    |                | <u><u>8,145,154</u></u> |                | <u><u>7,296,169</u></u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### 1. Accounting policies

#### Charity information

The NHS Confederation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ. The principal activities of the group are noted on page 5.

#### Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value.

#### Parent statement of financial activities

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities as it prepares group accounts and the charitable company's individual balance sheet shows its gross income and result for the year.

#### Reduced disclosures

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charitable company, which are intended to give a true and fair view of the assets, liabilities, financial position, and movement in group funds. The charitable company has therefore taken advantage of exemptions from the following disclosure requirements for charitable company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – exemption from presenting a statement of cash flow and related notes and disclosures for the charitable company.

#### Basis of consolidation

The consolidated financial statements incorporate those of the NHS Confederation and its subsidiary The NHS Confederation (Services) Company Limited (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 March 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### Accounting policies (Continued)

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

### Going concern

The group's result for the year was a deficit of £414,520 (2023: net increase of £98,064). At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan, forecast data and a 12-month, forward-looking cash flow. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 9 and 21. At 31 March 2024, the group has no restricted funds (2023: £nil).

### Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable, net of discounts and value added tax.

### Membership subscriptions

Income is all recognised in the first month of the financial year in which it relates to. Our membership period runs in line with our financial year, April to March.

### Contract income

Income is recognised based on delivery under the terms of the contract. Where contracts span more than one year, revenue is recognised based on costs incurred or using a percentage of work delivered, whichever method is deemed more appropriate.

### Investment income

Income is recognised when the right to receive payment is established.

### Events, sponsorship, exhibition, and delegate income

Income is recognised at the date of the event.

### Grant income

Grant income is recognised when the charity has entitlement to the funds and is recorded in accordance with the grant terms.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### Accounting policies (Continued)

#### Deferred income

Income invoiced in advance is accounted for as deferred income in the balance sheet and released to the statement of financial activities in the year in which it relates. Deferred income will also arise when work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

#### Government grants

Government grants have been received in the year relating to various projects (see note 9 for more detail). These are recognised in "Income from charitable activities" within income and expenditure in the same period as the related expenditure.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure and the amount can be measured or estimated reliably.

All expenditure is accounted for on an accrual basis and is classified under headings that aggregate all costs related to each category of expenses shown in the statement of financial activities.

Expenditure on charitable activities comprises those costs incurred influencing on behalf of our members, representing NHS organisations on workforce issues, and bringing those organisations and members together to share learning. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, IT, human resources, office accommodation, and governance costs which support the charity programmes and activities. They are allocated based on direct costs of each activity as a percentage of total direct costs.

Expenditure is shown net of VAT but includes any irrecoverable VAT, which is charged against the category of expenses for which it was incurred.

#### Intangible fixed assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                    |                           |
|--------------------|---------------------------|
| System development | 20 per cent straight line |
|--------------------|---------------------------|

Intangible assets are derecognised from the balance sheet on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an intangible asset is recognised in net income/(expenditure) for the year.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### Accounting policies (Continued)

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Individual assets with a value of less than £2,000 are not capitalised but charged to expenditure in the year of purchase.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                                   |   |
|-----------------------------------|---|
| Furniture, fixtures, and fittings | Over the term of the lease (up to break clause) |
| Computer and other equipment      | 33 per cent straight line                       |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value (market value) at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

#### Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### Cash and cash equivalents

Cash and cash equivalents comprise funds held in current and notice deposit bank accounts.

#### Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include trade debtors, other debtors, accrued income, amounts due from fellow group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### Accounting policies (Continued)

transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure).

#### Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### Basic financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### **Accounting policies (Continued)**

#### **Provision for liabilities**

An amount is recognised on the face of the balance sheet for the cost of dilapidations relating to our office spaces and conference centre. This is worked out based on estimated cost per square footage and the total square footage. The provision is reviewed at each reporting date and adjusted to reflect the current best estimate of the settlement amount. Any adjustments to this provision is recognised in net income/(expenditure) for the year.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### **Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **Multi-employer plans**

The charity participates in two multi-employer pension schemes for its employees, as outlined in note 19. Both are unfunded schemes backed by the exchequer. Employers cannot identify their share of the assets and liabilities. In accordance with FRS 102, the schemes have been accounted for as if they were a defined contribution scheme, and contributions are recognised as an expense.

#### **Operating Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

#### **Custodian arrangements**

The charity acts as custodian for the NI Public Sector Chairs forum and also as custodian for the Developing Excellence in Medical Education conference (event date December 2023). Related receipts and subsequent payments are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included in other creditors.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### Accounting policies (Continued)

2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## 2. Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Revenue recognition

Revenue received during the year for contracts is recognised based on the contract price (net of VAT) and on agreement with the customer that the services have been provided in line with the specification. Where contracts are part completed at the year-end date, revenue is recognised by measuring costs incurred to date and with reference to progress against contract deliverables. In this instance, deferred income arises on agreement with the customer that work may be delivered in the following year.

#### Key sources of estimation uncertainty

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Impairment of debtors

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the trustees consider factors including the ageing profile of the debtor. See note 15 for the net carrying amount of the debtors.

#### Useful economic lives of intangible and tangible assets

The annual amortisation charge for intangible assets and the annual depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See notes 12 and 13 for the carrying amount of the intangible and tangible fixed assets and note 1 for the useful economic lives for each class of assets.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**3. Income from charitable activities**

|                           | <b>2024</b>       | <b>2023</b>       |
|---------------------------|-------------------|-------------------|
|                           | <b>£</b>          | <b>£</b>          |
| Membership subscriptions  | 4,763,848         | 4,521,688         |
| Contract delivery         | 12,569,161        | 13,168,454        |
| Grant income              | 285,614           | 207,173           |
| Conference centre income  | –                 | 649,880           |
| Training and other income | 862,879           | 590,885           |
|                           | <u>18,481,502</u> | <u>19,138,080</u> |

Grant income of £285,614 (2023: £207,173) is classed as restricted income in this financial year. All other income from charitable activities is classed as unrestricted income in both years.

Note that the activities of the conference centre, Horizon, were moved from the charity into the trading subsidiary from 1<sup>st</sup> April 2023, and is now categorised as trading income in note 4 to these financial statements.

**4. Income from other trading activities**

|                                 | <b>2024</b>      | <b>2023</b>      |
|---------------------------------|------------------|------------------|
|                                 | <b>£</b>         | <b>£</b>         |
| Publications and AV             | 16,159           | 8,125            |
| Membership subscriptions        | 155,653          | 121,396          |
| Events and partnerships         | 3,777,399        | 2,956,148        |
| Conference centre income        | 712,901          | –                |
| Sub-let of surplus office space | 24,731           | 19,025           |
| Other trading income            | 56,322           | 19,921           |
|                                 | <u>4,743,165</u> | <u>3,124,615</u> |

All income from trading activities is classed as unrestricted income in both years.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

#### 5. Investment income

|                                | 2024           | 2023           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Income from listed investments | 222,247        | 193,068        |
| Bank interest receivable       | 341,438        | 128,351        |
|                                | <u>563,685</u> | <u>321,419</u> |

All investment income is classed as unrestricted in both years.

#### 6. Expenditure on charitable activities

##### 2024

|                             | Direct costs      | Support costs    | Total 2024        | Total 2023        |
|-----------------------------|-------------------|------------------|-------------------|-------------------|
|                             | £                 | £                | £                 | £                 |
| Membership subscriptions    | 5,380,121         | 992,481          | 6,372,602         | 5,606,073         |
| Events and partnerships     | –                 | –                | –                 | 1,296             |
| Contract delivery           | 11,455,586        | 2,113,234        | 13,568,820        | 13,282,247        |
| Grants                      | 285,617           | –                | 285,617           | 207,173           |
| Conference centre           | –                 | –                | –                 | 350,600           |
| Training and other activity | 339,409           | 62,611           | 402,020           | 273,857           |
|                             | <u>17,460,733</u> | <u>3,168,326</u> | <u>20,629,059</u> | <u>19,721,246</u> |

##### 2023

|                             | Direct costs      | Support costs    | Total 2023        | Total 2022        |
|-----------------------------|-------------------|------------------|-------------------|-------------------|
|                             | £                 | £                | £                 | £                 |
| Membership subscriptions    | 4,692,117         | 913,956          | 5,606,073         | 3,015,334         |
| Events and partnerships     | 1,085             | 211              | 1,296             | 52,984            |
| Contract delivery           | 11,116,847        | 2,165,400        | 13,282,247        | 11,525,579        |
| Grants                      | 207,173           | –                | 207,173           | 193,230           |
| Conference centre           | 293,442           | 57,158           | 350,600           | 505,348           |
| Training and other activity | 229,210           | 44,647           | 273,857           | 104,490           |
|                             | <u>16,539,874</u> | <u>3,181,372</u> | <u>19,721,246</u> | <u>15,396,965</u> |

Expenditure of £285,617 (2023: £207,173) is classed as restricted in the year. All other expenditure on charitable activities is classed as unrestricted expenditure in both years.

Note that the activities of the conference centre, Horizon, were moved from the charity into the trading subsidiary from 1<sup>st</sup> April 2023 and is now categorised as expenditure in raising funds in note 8 to these financial statements.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**7. Support costs**

|                        | <b>2024</b>      | <b>2023</b>      |
|------------------------|------------------|------------------|
|                        | <b>£</b>         | <b>£</b>         |
| Management             | 318,323          | 295,235          |
| Governance costs       | 325,973          | 321,904          |
| Finance                | 439,460          | 456,418          |
| Information technology | 747,044          | 755,757          |
| Human resources        | 446,020          | 468,632          |
| Accommodation          | 891,506          | 883,426          |
|                        | <u>3,168,326</u> | <u>3,181,372</u> |

Support costs are allocated based on direct costs of each activity as a percentage of total direct costs.

**8. Expenditure on raising funds**

|                               | <b>2024</b>      | <b>2023</b>      |
|-------------------------------|------------------|------------------|
|                               | <b>£</b>         | <b>£</b>         |
| Membership subscriptions      | 17,979           | 15,012           |
| Publications and AV           | 9,142            | 813              |
| Events and partnerships       | 2,973,454        | 2,064,175        |
| Conference centre             | 706,174          | –                |
| Other administrative expenses | 370,327          | 311,690          |
|                               | <u>4,077,076</u> | <u>2,391,690</u> |

All expenditure on trading activities is classed as unrestricted expenditure in both years.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

---

## 9. Net movement in funds

|  | 2024    | 2023    |
|--|---------|---------|
|  | £       | £       |
| Net movement in funds is stated after recognising  |         |         |
| Fees payable to the company's auditor and its associates in respect of both audit and non-audit services are as follows: |         |         |
| - Audit  | 40,185  | 41,107  |
| - Other non-audit services (tax compliance services)   | 3,848   | 1,784   |
| Depreciation of owned tangible fixed assets  | 90,629  | 159,393 |
| Amortisation of intangible fixed assets  | 20,164  | 20,164  |
| Operating lease charges  | 546,652 | 558,172 |
| Government grant income  | 151,932 | 63,583  |

The government grant income above for 2024 is made up of £138,524 from Medical Research Council (part of UK Research and Innovation), towards Understanding Patient Data, an organisation hosted by The NHS Confederation that aims to improve the way patient data is used. Other smaller amounts totalling £11,408 were also received from UK Research and Innovation relating to projects Transforming Health and Care Systems and Horizon Europe. The other £2,001 comprises a Digital Growth grant from Leeds City Council relating to the running of our conference centre room hire.

For 2023, this comprises £29,249 from Sitra, the Finnish Innovation Fund, for the project Joint Action Towards the European Health Data Space, which develops European principles for the secondary use of health data. The other £34,334 comprises grants from Leeds City Council towards the running of our conference centre room hire, being COVID-19 recovery grants and Digital Growth grant.

## 10. Trustees

During the year, the NHS Confederation chair Victor Adebawale was remunerated £50,000 (2023: £50,000) in accordance with the articles of association and the permission granted by the Charity Commission. Marie Gabriel, a trustee, was remunerated £20,000 (2023: £20,000) for their work as chair of the Race and Health Observatory.

Expenses incurred on behalf of the charitable company and reimbursed to seven trustees (2023: ten trustees) or paid directly to third parties during the year amounted to £3,590 (2023: £3,133), relating to travel, accommodation and subsistence costs.

No pension contributions were made on behalf of any of the trustees.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

### 11. Employees

#### Number of employees

The average monthly number of employees during the year was:

| <b>2024</b>   | <b>2023</b>   |
|---------------|---------------|
| <b>Number</b> | <b>Number</b> |

|     |     |
|-----|-----|
| 265 | 245 |
|-----|-----|

#### Employment costs

| <b>2024</b> | <b>2023</b> |
|-------------|-------------|
| <b>£</b>    | <b>£</b>    |

|                       |                   |                   |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 12,990,653        | 11,341,043        |
| Social security costs | 1,392,641         | 1,270,764         |
| Pension costs         | 1,057,481         | 926,247           |
|                       | <u>15,440,775</u> | <u>13,538,054</u> |

In addition, total expenditure includes seconded and agency staff of £443,445 (2023: £354,451).

During the year, termination payments were paid to two employees (2023: one employee) totalling £14,946 (2023: £6,550).

The number of employees whose annual remuneration was £60,000 or more were:

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>Number</b> | <b>Number</b> |

|                   |    |    |
|-------------------|----|----|
| £190,000-£199,999 | 1  | 1  |
| £180,000-£189,999 | 1  | -  |
| £170,000-£179,999 | -  | 1  |
| £160,000-£169,999 | -  | -  |
| £150,000-£159,999 | -  | -  |
| £140,000-£149,999 | 2  | 2  |
| £130,000-£139,999 | 2  | 2  |
| £120,000-£129,999 | 2  | -  |
| £110,000-£119,999 | 3  | 2  |
| £100,000-£109,999 | 3  | 4  |
| £90,000-£99,999   | 4  | 3  |
| £80,000-£89,999   | 9  | 6  |
| £70,000-£79,999   | 14 | 13 |
| £60,000-£69,999   | 18 | 18 |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

## 12. Intangible fixed assets

### Group and charity

|                              | System<br>Development<br>£ | Total<br>£     |
|------------------------------|----------------------------|----------------|
| <b>Cost</b>                  |                            |                |
| At 1 April 2023              | 100,818                    | 100,818        |
| Additions                    | –                          | –              |
| Disposals                    | –                          | –              |
| At 31 March 2024             | <u>100,818</u>             | <u>100,818</u> |
| <b>Amortisation</b>          |                            |                |
| At 1 April 2023              | 38,694                     | 38,694         |
| Amortisation charged in year | 20,164                     | 20,164         |
| At 31 March 2024             | <u>58,858</u>              | <u>58,858</u>  |
| <b>Carrying amount</b>       |                            |                |
| At 31 March 2024             | <u>41,960</u>              | <u>41,960</u>  |
| At 31 March 2023             | <u>62,124</u>              | <u>62,124</u>  |

## 13. Tangible fixed assets

### Group and charity

|                              | Furniture,<br>fixtures and<br>fittings<br>£ | Computer<br>and other<br>equipment<br>£ | Total<br>£     |
|------------------------------|---|---|----------------|
| <b>Cost</b>                  |   |   |                |
| At 1 April 2023              | 756,591                                     | 14,037                                  | 770,628        |
| Additions                    | 4,246                                       | –                                       | 4,246          |
| Disposals                    | (1,181)                                     | (751)                                   | (1,932)        |
| At 31 March 2024             | <u>759,656</u>                              | <u>13,286</u>                           | <u>772,942</u> |
| <b>Depreciation</b>          |   |   |                |
| At 1 April 2023              | 589,347                                     | 14,037                                  | 603,384        |
| Depreciation charged in year | 90,629                                      | –                                       | 90,629         |
| Eliminated on disposal       | (1,080)                                     | (751)                                   | (1,831)        |
| At 31 March 2024             | <u>678,896</u>                              | <u>13,286</u>                           | <u>692,182</u> |
| <b>Carrying amount</b>       |   |   |                |
| At 31 March 2024             | <u>80,760</u>                               | <u>–</u>                                | <u>80,760</u>  |
| At 31 March 2023             | <u>167,244</u>                              | <u>–</u>                                | <u>167,244</u> |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**14. Investments**

| <b>Group and charity</b>            | <b>Listed investments</b> |                  |
|-------------------------------------|---------------------------|------------------|
|                                     | <b>£</b>                  |                  |
| <b>Cost or valuation</b>            |                           |                  |
| At 1 April 2023                     |                           | 6,358,929        |
| Purchases in year                   |                           | 9,358            |
| Disposals in year                   |                           | –                |
| Valuation changes                   |                           | 503,263          |
| At 31 March 2023                    |                           | <u>6,871,550</u> |
| <b>Carrying amount</b>              |                           |                  |
| At 31 March 2024                    |                           | <u>6,871,550</u> |
| At 1 April 2023                     |                           | <u>6,358,929</u> |
|                                     | <b>2024</b>               | <b>2023</b>      |
|                                     | <b>£</b>                  | <b>£</b>         |
| Investments at fair value comprise: |                           |                  |
| Fixed income                        | 862,773                   | 963,891          |
| Equities                            | 5,082,052                 | 4,235,726        |
| Property                            | 244,844                   | 264,125          |
| Alternative investments             | 440,303                   | 779,171          |
| Liquid assets                       | 241,578                   | 116,016          |
|                                     | <u>6,871,550</u>          | <u>6,358,929</u> |

**Fixed asset investments revalued**

At 31 March 2024, the historical cost of investments was £6,211,615 (2023: £6,202,257) with net unrealised gains of £659,935 (2023: £156,672).

Valuations are based on bid price at the close of business on the valuation date. Investments are included at their fair value as at the year-end date.

The charity is the single corporate member of The NHS Confederation (Services) Limited, a company limited by guarantee. The results and net assets of this company are disclosed in note 26 of these financial statements.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 15. Debtors

|  | Group            |                  | Charity          |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2024<br>£        | 2023<br>£        | 2024<br>£        | 2023<br>£        |
| <b>Amounts falling due within one year:</b>          |                  |                  |                  |                  |
| Trade debtors  | 5,575,560        | 5,606,736        | 4,733,736        | 5,070,796        |
| Amounts due from fellow group undertakings           | –                | –                | 419,227          | 188,575          |
| Other debtors  | 4,980            | 2,709            | 4,980            | 2,709            |
| Prepayments and accrued income                       | 957,722          | 984,634          | 331,118          | 309,444          |
|  | <u>6,538,262</u> | <u>6,594,079</u> | <u>5,489,061</u> | <u>5,571,524</u> |
| <b>Amounts falling due after more than one year:</b> |                  |                  |                  |                  |
| Prepayments and accrued income                       | 42,731           | 73,518           | 8,336            | 6,981            |
|  | <u>42,731</u>    | <u>73,518</u>    | <u>8,336</u>     | <u>6,981</u>     |
| <b>Total debtors</b>                                 | <u>6,580,993</u> | <u>6,667,597</u> | <u>5,497,397</u> | <u>5,578,505</u> |

### 16. Creditors: amounts falling due within one year

|                                    | Group             |                   | Charity          |                  |
|------------------------------------|-------------------|-------------------|------------------|------------------|
|                                    | 2024<br>£         | 2023<br>£         | 2024<br>£        | 2023<br>£        |
| Trade creditors                    | 874,999           | 750,907           | 722,035          | 739,392          |
| Other taxation and social security | 867,168           | 556,362           | 867,588          | 556,362          |
| Other creditors and accruals       | 1,325,740         | 1,255,662         | 859,198          | 1,148,339        |
| Deferred income (note 18)          | 9,232,809         | 8,300,669         | 7,435,404        | 7,135,644        |
|                                    | <u>12,300,716</u> | <u>10,863,600</u> | <u>9,884,225</u> | <u>9,579,737</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 17. Provisions for liabilities

|                                       | Conference<br>Centre | Leeds Office  | London Office  | Cardiff Office | Total          |
|---------------------------------------|----------------------|---------------|----------------|----------------|----------------|
| Opening provision as at 1 April 2023  | 59,900               | 30,000        | 36,000         | 21,789         | 147,689        |
| Movement in year                      | 20,546               | 41,062        | 84,150         | –              | 145,758        |
| Closing provision as at 31 March 2024 | <u>80,446</u>        | <u>71,062</u> | <u>120,150</u> | <u>21,789</u>  | <u>293,447</u> |

The dilapidation provision relates to the expected cost payable on vacating our office spaces and conference centre. Leeds, London, and Cardiff offices have a break clause falling in the financial year 2024/25. Provisions have been discounted where the cost is not expected to be incurred for some years (conference centre).

Of the provisions above, the £80,446 relating to the conference centre sits in the trading subsidiary, The NHS Confederation (Services) Company Limited. All other provisions sit in the charity The NHS Confederation.

### 18. Deferred income

Deferred income comprises both income invoiced in advance and instances where work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

|   | Group<br>£       | Charity<br>£     |
|---|------------------|------------------|
| At 1 April 2023                                     | 8,300,669        | 7,135,644        |
| Amount released to Statement of Financial Activites | (12,314,324)     | (11,115,929)     |
| Amount deferred in year                             | 13,246,464       | 11,415,690       |
| At 31 March 2024                                    | <u>9,232,809</u> | <u>7,435,405</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

#### 19. Retirement benefits

The organisation contributes to a number of pension schemes.

The NHS Confederation is able to maintain access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Scheme for staff who are recruited from these sectors and already contribute to these schemes. Both of these schemes are unfunded schemes backed by the exchequer; accordingly these schemes are accounted for as defined contribution schemes in accordance with FRS 102.

The organisation makes a contribution of either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme (Scottish Widows) for all employees unless they opt out.

Contributions amounting to £166,541 (2023: £140,518) were payable to the schemes at 31 March 2024 and are included within other creditors and accruals.

#### 20. Unrestricted funds

| Group                                | Movement in funds                  |  |   |   |                                     |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2023<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ | Balance at<br>31 March<br>2024<br>£ |
| Funds represented<br>by fixed assets | 229,368                            | (106,648)  | –   | –   | 122,720                             |
| General unrestricted<br>funds        | 9,311,406                          | –  | (811,135)   | 503,263                                   | 9,003,534                           |
|                                      | <u>9,540,774</u>                   | <u>(106,648)</u>   | <u>(811,135)</u>                                      | <u>503,263</u>                            | <u>9,126,254</u>                    |

| Group                                | Movement in funds                  |  |   |   |                                     |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2022<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ | Balance at<br>31 March<br>2023<br>£ |
| Funds represented<br>by fixed assets | 395,864                            | (166,496)  | –   | –   | 229,368                             |
| General unrestricted<br>funds        | 9,046,846                          | –  | 637,674   | (373,114)                                 | 9,311,406                           |
|                                      | <u>9,442,710</u>                   | <u>(166,496)</u>   | <u>637,674</u>  | <u>(373,114)</u>                          | <u>9,540,774</u>                    |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**20. Unrestricted funds (Continued)**

| Charity                              | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2024<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2023<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ |                                     |
| Funds represented<br>by fixed assets | 229,368                            | (106,648)  | –   | –   | 122,720                             |
| General unrestricted<br>funds        | 7,918,635                          | –  | (515,388)   | 503,263                                   | 7,906,510                           |
|                                      | <u>8,148,003</u>                   | <u>(106,648)</u>   | <u>(515,388)</u>                                      | <u>503,263</u>                            | <u>8,029,230</u>                    |

|                                      | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2023<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2022<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ |                                     |
| Funds represented<br>by fixed assets | 395,864                            | (166,496)  | –   | –   | 229,368                             |
| General unrestricted<br>funds        | 8,140,288                          | –  | 151,461   | (373,114)                                 | 7,918,635                           |
|                                      | <u>8,536,152</u>                   | <u>(166,495)</u>   | <u>151,460</u>  | <u>(373,114)</u>                          | <u>8,148,003</u>                    |

**21. Restricted funds**

Income of £285,614 relating to restricted funds was received during the year ended 31 March 2024 but had all been spent by the year-end date, meaning balance on restricted funds at this date was £nil (2023: £nil). Restricted funds related to grants received for a specific purpose, such as £138,524 for Understanding Patient Data (see note 9).

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**22. Cash generated from operations**

|   | <b>2024</b>    | <b>2023</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| (Deficit)/surplus for the year                                    | (414,520)      | 98,064         |
| Adjustments for:  |                |                |
| Investment income recognised in statement of financial activities | (563,685)      | (321,419)      |
| Fair value (gains)/losses on investments                          | (503,263)      | 373,114        |
| Depreciation of tangible fixed assets                             | 90,629         | 159,393        |
| Amortisation of intangible fixed assets                           | 20,164         | 20,164         |
| Loss on disposal of tangible fixed assets                         | 101            |                |
| Movements in working capital                                      |                |                |
| Decrease/(increase) in debtors                                    | 86,604         | (218,353)      |
| Increase in creditors   | 1,582,874      | 334,242        |
| Cash generated from operations                                    | <u>298,904</u> | <u>445,205</u> |

**23. Analysis of cash and cash equivalents**

|                                 | <b>2024</b>      | <b>2023</b>      |
|---------------------------------|------------------|------------------|
|                                 | <b>£</b>         | <b>£</b>         |
| Cash in hand                    | 6,145,154        | 7,296,169        |
| Notice deposits (32 days)       | 2,000,000        | –                |
| Total cash and cash equivalents | <u>8,145,154</u> | <u>7,296,169</u> |

**24. Operating leases**

At the reporting end date, the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | <b>2024</b>      | <b>2023</b>    |
|----------------------------|------------------|----------------|
|                            | <b>£</b>         | <b>£</b>       |
| Within one year            | 495,892          | 540,222        |
| Between one and five years | 590,016          | 456,619        |
|                            | <u>1,085,908</u> | <u>996,841</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

## 25. Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel, being the senior executive team listed on pages 3 and 4, is as follows:

|                        | 2024<br>£        | 2023<br>£        |
|------------------------|------------------|------------------|
| Aggregate compensation | <u>2,220,697</u> | <u>2,144,402</u> |

During the year, the group had the following related party transactions due to a trustee or co-opted committee member (or close relation of) being on the board or an employee of another organisation.

| 2024                                     |                                    | Charity<br>Income<br>£ | Charity<br>Expense<br>£ | Subsidiary<br>Income<br>£ | Charity<br>Debtor<br>£ | Subsidiary<br>Debtor<br>£ |
|--|------------------------------------|------------------------|-------------------------|---------------------------|------------------------|---------------------------|
| <b>Related Party</b>                     | <b>Description of Relationship</b> |                        |                         |                           |                        |                           |
| Alliance for Better Care                 | Trustee is Chair                   | 9,385                  | 7,900                   | –                         | 6,885                  | –                         |
| Accurx                                   | Spouse of Trustee is Board member  | –                      | –                       | 80,000                    | –                      | –                         |
| AHSN Network                             | Trustee is Director                | –                      | –                       | 4,000                     | –                      | –                         |
| Cwm Taf Morgannwg University Health Boar | Trustee is Chair                   | 69,070                 | –                       | 1,100                     | 69,070                 | –                         |
| Derbyshire Healthcare NHS FT             | Trustee is CEO                     | 11,500                 | –                       | 179                       | –                      | –                         |
| Milton Keynes University Hospital NHS FT | Trustee is CEO                     | 10,150                 | –                       | 1,667                     | 10,150                 | –                         |
| Newcastle Upon Tyne Hospital NHS FT      | Trustee was CEO                    | 4,400                  | –                       | 1,583                     | 720                    | –                         |
| NHS Frimley ICB                          | Trustee is CEO                     | 22,000                 | –                       | 375                       | 22,000                 | 450                       |
| NHS North East London ICB                | Trustee is Chair                   | 63,000                 | –                       | –                         | 38,000                 | –                         |
| NHS Nottingham and Nottinghamshire ICB   | Trustee is Board Member            | 27,100                 | –                       | 375                       | 27,100                 | –                         |
| NHS Surrey Heartlands ICB                | Trustee is PCN Leader              | 56,600                 | –                       | 375                       | 25,600                 | –                         |
| Northern Ireland Ambulance Service       | Trustee is CEO                     | 19,902                 | –                       | 3,438                     | 7,607                  | –                         |
| Nottinghamshire Healthcare NHS FT        | Trustee is CEO                     | 18,990                 | –                       | 3,472                     | 17,350                 | –                         |
| Health Innovation NE and North Cumbria   | Trustee is Director                | –                      | –                       | 5,000                     | –                      | –                         |
| Nuffield Health                          | Trustee is Board Member            | 20,950                 | 13,515                  | 270                       | 9,450                  | 324                       |
| Office for Life Sciences                 | Spouse of Director is Director     | 7,972                  | –                       | –                         | –                      | –                         |
| Pharmaceutical Society NI                | Trustee is Vice President          | 1,000                  | –                       | –                         | 500                    | –                         |
| South Eastern Health and Social Care Tru | Trustee is Chair                   | 21,439                 | –                       | 782                       | 9,285                  | –                         |
| Swansea Bay University Health Board      | Trustee is Chair                   | 65,420                 | –                       | –                         | 65,420                 | –                         |
| ZPB Associates                           | Trustee is Director & CEO          | –                      | –                       | 950                       | –                      | –                         |
| Responsible Leadership Foundation Limite | Spouse of CEO is Senior Director   | –                      | 108,766                 | 1,000                     | –                      | –                         |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

## 25. Related party transactions (Continued)

| 2023                                     |   | Charity<br>Income | Charity<br>Expense | Subsidiary<br>Income | Charity<br>Debtor | Subsidiary<br>Debtor |
|--|---|-------------------|--------------------|----------------------|-------------------|----------------------|
| Related Party                            | Description of Relationship               | £                 | £                  | £                    | £                 | £                    |
| Alliance for Better Care                 | Trustee is Chair                          | 9,090             | –                  | –                    | 4,590             | –                    |
| Derbyshire Healthcare NHS FT             | Trustee is CEO                            | 10,950            | –                  | 1,075                | 10,950            | 1,290                |
| Eli Lilly and Company Ltd                | Spouse of Director is Key Account Manager | –                 | –                  | 30,000               | –                 | –                    |
| Milton Keynes University Hospital NHS FT | Trustee is CEO                            | 9,450             | –                  | –                    | 9,450             | –                    |
| Newcastle Upon Tyne Hospital NHS FT      | Trustee is CEO                            | 20,400            | –                  | -3,605               | –                 | –                    |
| NHS Charities Together                   | Deputy CEO is Trustee of                  | –                 | –                  | 2,650                | –                 | –                    |
| NHS North East London ICB                | Trustee is Chair                          | 44,600            | –                  | –                    | –                 | –                    |
| NHS Surrey Heartlands CCG                | Trustee is PCN Leader                     | 38,500            | –                  | –                    | –                 | –                    |
| NHS Sussex ICB                           | Trustee is CEO                            | 39,700            | –                  | 200                  | 39,700            | 240                  |
| Northern Ireland Ambulance Service       | Trustee is CEO                            | 8,372             | –                  | 4,165                | –                 | –                    |
| Office for Life Sciences                 | Spouse of Director is Director            | 16,172            | –                  | –                    | 19,406            | –                    |
| Powys Teaching Health Board              | Trustee (resigned Jul 22) is Chair        | 35,670            | –                  | 1,000                | 35,670            | –                    |
| Priory Healthcare                        | Spouse of Trustee is MD                   | 13,528            | –                  | –                    | 13,528            | –                    |
| Royal Devon University Healthcare NHS FT | Trustee is Governor                       | 14,920            | –                  | 325                  | 14,150            | 516                  |
| Swansea Bay University Health Board      | Trustee is Chair                          | 65,420            | –                  | 1,000                | 65,420            | –                    |
| ZPB Associates                           | Trustee is Director & CEO                 | –                 | –                  | 950                  | –                 | 1,140                |
| Greystone House Surgery                  | Trustee is Partner                        | –                 | 7,800              | –                    | –                 | –                    |
| Nuffield Health                          | Trustee is Board Member                   | –                 | 20,196             | –                    | –                 | –                    |
| Responsible Leadership Foundation Limite | Spouse of CEO is Senior Director          | –                 | 97,430             | 750                  | –                 | –                    |

In 2024, there have been the following transactions between The NHS Confederation (parent) and The NHS Confederation (Services) Company Limited (the subsidiary):

- The subsidiary has gift aided profits of £1,045,244 (2023: £559,347) up to the parent company.
- Staffing costs of £143,033 (2023: £80,524) have been recharged from the parent company to the subsidiary to recognise time spent by staff in the charity on commercial work such as annual conferences.
- A recharge of £330,539 (2023: £272,805) covering corporate services costs such as Finance, HR, IT, and Office Management has been posted to reallocate these costs from the parent to the subsidiary to represent where these areas have supported work of the subsidiary.
- Business development costs of £112,000 (2023: £112,000) and event management costs of £165,800 (2023: £147,000) have been recharged from the subsidiary to the parent, where these areas in the subsidiary have supported work in the charity.
- An amount of £3,000 (2023: £nil) of income has been recognised in the parent company accounts relating to payment from the subsidiary for use of name, logo, and other data and intellectual property. A corresponding cost of £3,000 has been recognised in the subsidiary accounts.
- The parent company has paid the subsidiary an amount of £30,581 for use of the Horizon conference centre space for various meetings and events, this has been recognised as income in the subsidiary accounts. In 2023, the activities of Horizon sat in the charity and thus the intercompany activity related to the subsidiary making use of the space, which amounted to £258 in that year.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

- The parent has paid the subsidiary an amount of £12,679 for using Horizon area and staff as a reception for the charity offices. In 2023, the activities of Horizon sat in the charity and so no intercompany recharge was incurred that year.
- The subsidiary has paid the parent company an amount of £23,580 (2023: £nil) to represent the value of the member benefits for our corporate members (who are invoiced from the subsidiary) that is provided by staff in the charity, or otherwise relates to non-pay costs covered by the charity.

There are no other related party transactions to disclose.

## 26. Results and net assets of the subsidiary

The wholly owned trading subsidiary, The NHS Confederation (Services) Company Limited (company number 05252407) is incorporated in England and Wales and has a registered office address of 2nd Floor, 18 Smith Square, London, SW1P 3HZ. The subsidiary provides a range of non-charitable activities on behalf of the NHS Confederation.

The summary financial performance of the subsidiary alone is:

|                               | 2024<br>£        | As restated<br>2023<br>£ |
|-------------------------------|------------------|--------------------------|
| Turnover                      | 4,831,527        | 3,156,240                |
| Cost of sales                 | (3,590,442)      | (1,997,785)              |
| Gross profit                  | <u>1,241,085</u> | <u>1,158,455</u>         |
| Administrative expenses       | (330,539)        | (273,943)                |
| Profit before taxation        | <u>910,546</u>   | <u>884,512</u>           |
| Tax                           | –                | –                        |
| Profit for the financial year | <u>910,546</u>   | <u>884,512</u>           |

The assets and liabilities of the subsidiary were:

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Current assets                 | 4,013,189        | 2,865,209        |
| Current liabilities            | (2,835,718)      | (1,633,486)      |
| Provision for liabilities      | (80,446)         | –                |
| Total net assets               | <u>1,097,025</u> | <u>1,231,723</u> |
| Aggregate capital and reserves | <u>1,097,025</u> | <u>1,231,723</u> |

An error had been identified in the previously reported financial information for 2022/23, relating to recharge of staff costs between the trading subsidiary and the NHS Confederation (it's parent).

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

---

An adjustment has been made to the comparative figures to increase cost of sales by £161,048, which reduced the previously reported profit from £1,045,560 to £884,512. The retained earnings brought forward have therefore reduced by £161,048, with a corresponding increase in the amount due to group undertakings of £161,048, changing this from £188,575 to £349,623 as at 31<sup>st</sup> March 2023.

### 27. Custodian arrangements

The charity acts as custodian for the NI Public Sectors Chairs forum. In the financial year ended 31 March 2024, the charity received £62,349 (2023: £41,003) and disbursed £54,932 (2023: £42,705) in its role as custodian. An amount of £41,845 (2023: £34,428) is included in other creditors relating to unrestricted funds held as custodian at 31 March 2024.

The trading subsidiary, The NHS Confederation (Services) Company Limited, acts as custodian for the Developing Excellence in Medical Education conference, which was held in December 2023. The subsidiary hold all funds and administers payments on behalf of the organisers of the event. In the financial year ended 31 March 2024, the trading subsidiary received £642,224 (2023: £nil) and disbursed £461,002 (2023: £nil) in its role as custodian. An amount of £261,473 (2023: £80,251) is included in other creditors relating to unrestricted funds held as custodian as at 31 March 2024.

### 28. Post balance sheet events

As noted in the finance review section, we received notification during 2023/24 that a significant contract (~£8m per year) will be put out to tender during 2024/25, with the winning bidder taking the new contract on from 1<sup>st</sup> April 2025. Should we fail to win this tender, we would need to change the structure of the organisation to reduce costs in line with the reduced income. Any changes would be implemented from 2025/26 onwards.

**THE NHS CONFEDERATION**

England & Wales - Charity number 1090329

---

# Accounts

---

Charity Registration No. 1090329  
Company Registration No. 04358614 (England and Wales)

**THE NHS CONFEDERATION  
TRUSTEES' ANNUAL REPORT  
AND ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2023**

**THE NHS CONFEDERATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

|                   |  |
|-------------------|--|
| Trustees          | Lord Victor Adebawale<br>Prof Joseph Harrison<br>Michael Bloomfield<br>Nanda Ratnavel<br>Marie Gabriel<br>Valerie Morton<br>Dr Prमित Patel<br>Ifti Majid<br>Dame Jackie Daniel<br>Charles David Skinner<br>Dr Peta Foxall<br>Emma Woollett |
| Charity number    | 1090329  |
| Company number    | 04358614   |
| Registered office | 2nd Floor<br>18 Smith Square<br>London<br>SW1P 3HZ   |
| Auditor           | BHP LLP<br>1 <sup>st</sup> Floor, Mayesbrook House<br>Lawnswood Business Park<br>Redvers Close<br>Leeds<br>LS16 6QY  |
| Banker            | Barclays Bank Plc.<br>1 Churchill Place<br>London<br>E14 5HP   |
| Solicitors        | Capsticks LLP<br>1 St George's Road<br>Wimbledon<br>London<br>SW194DR  |

# THE NHS CONFEDERATION

## LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

---

|                        |  |
|------------------------|--|
|                        | Bates Wells (for governance legal advice)<br>10 Queen Street Place<br>London<br>EC4R 1BE   |
| Investment adviser     | Sarasin and Partners LLP<br>Juxon House<br>100 St Paul's Churchyard<br>London<br>EC4M 8BU  |
| Senior Executive Staff | Matthew Taylor<br>Chief Executive, NHS Confederation<br><br>Danny Mortimer<br>Deputy Chief Executive, NHS Confederation/Chief<br>Executive NHS Employers<br><br>Daniel Reynolds<br>Director of Communications<br><br>Darren Hughes<br>Director, Welsh NHS Confederation<br><br>Heather Moorhead<br>Director, Northern Ireland Confederation for<br>Health and Social Care<br><br>Joan Saddler<br>Director of Partnerships and Equality<br><br>John O'Brien<br>Commercial Director<br><br>Layla McCay<br>Director of Policy<br><br>Marie Pritchard<br>Director of People and Governance |

# THE NHS CONFEDERATION

## LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

---

Nikki Barraclough  
Director of Finance and IT

Rory Deighton  
Director, Acute Network

Ruth Rankine  
Director of Primary Care

Sean Duggan  
Chief Executive, Mental Health Network

Sarah Walter  
Director, ICS Network

Habib Naqvi  
Chief Executive, Race and Health Observatory

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

The trustees present their report and the audited consolidated financial statements for the year ended 31 March 2023.

The trustees are pleased to present their annual trustees' report (which is also prepared to meet the requirements for a directors' and strategic report) together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2023. The financial statements have been prepared in accordance with the Charities Act 2011, Companies Act 2006, the organisation's articles of association and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published in October 2019.

The directors of the charitable company are its trustees for the purpose of charity law.

### **About us**

The NHS Confederation is the membership organisation that brings together, supports and speaks for the whole healthcare system in England, Wales and Northern Ireland.

The members we represent employ over 1.5 million staff, care for more than 1 million patients a day and control £150 billion of public expenditure.

We promote collaboration and partnership working as the key to improving population health, delivering high-quality care and reducing health inequalities.

We support our members in three main ways:

- We represent organisations and sectors, to ensure local organisations and systems work in the best interests of service users, citizens and staff.
- We connect the whole healthcare system, to boost system working and develop solutions to shared challenges.
- We support leaders to develop and hone their leadership skills, equipping leaders with tools, ideas and insights and connecting them with a community of leaders.

Our work is underpinned by our values which help us to achieve our vision of a healthier population supported by high-quality health and care services that benefit everyone. We are respectful, inclusive, bold, collaborative and we act with integrity.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

---

### Summary overview

In a year characterised by political change, economic upheaval and industrial action, we have sought to make the case for the issues that matter most to our members. This includes challenging the government for a fair funding settlement, pressing ministers for a long-term workforce strategy, urging the government and unions to end the industrial dispute and making the case for more autonomy for local leaders.

What follows is a snapshot of our achievements over the year, with further detail provided later in the report.

### Legislative reform

We had a demonstrable impact on the Health and Social Care Act, with success on limiting the Secretary of State's powers and ensuring mental health representation on integrated care boards (ICBs). We also influenced policy guidance underpinning the reforms, including on integrated care strategies, as well as high-profile policy reviews such as the Fuller Stocktake, Mental Health Act, wider integration work, and the emerging commissioning framework.

### Industrial action

NHS Employers, which is part of the NHS Confederation, carried out extensive work to help prepare members for industrial action across the NHS. Working with legal partners Capsticks, NHS Employers developed comprehensive guidance and resources. With the dispute escalating, we have consistently urged the Prime Minister to negotiate on the substantive issue of pay awards, reiterating the message to trade unions that a national resolution is needed as swiftly as possible.

### Cost of living

In response to growing concerns over the cost of living we sounded the alarm over rising energy prices and the impact of fuel poverty, becoming one of the leading national bodies warning of the impact on health and on health and care services.

We were also able to build on the initial private messages as the cost-of-living crisis started to escalate, to deliver an effective intervention on rising energy prices and the impact of fuel poverty on outcomes, services and inequalities. As a result, we were able to capture some very serious and strongly held concerns of system leaders. Numerous health and non-health organisations amplified our message and we saw subsequent action by the government to put in place an energy price cap guarantee, which helps address concerns. Continuing to build on this area, our cost-of-living hub is now live and has been widely lauded. NHS England has added it to its menu of support for integrated care systems (ICSs). The products from the hub continue to gain political traction, with Martyn Day MP namechecking and quoting the NHS Confederation's fuel poverty intervention to the Secretary of State during health and social care questions on 1 November. Our long read on food insecurity contributed to successfully influencing the Treasury to uprate benefits in line with inflation as a protective measure against rising levels of food insecurity.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

---

### Finances

This year we have leveraged our relationships to develop and validate analysis around the financial state of the NHS and the impact of this on its ability to improve population health. For instance, our recent inflation analysis, developed with the support of the Institute for Fiscal Studies (IFS), managed to reverse perceptions of the NHS having a record amount of funding by revealing the NHS has had a real-terms budget cut of £4-9.4 billion this year. In the Autumn Statement, the NHS received an extra £3.3 billion per year in cash for the remaining two years of the Spending Review period. Social care spending will increase by £2.8 billion next year and £4.7 billion the year after. While it is less than both the NHS and social care need, it is far more than was expected and far better than other public services received.

### Relationship with NHS England

We have been central to one of the most important changes in the healthcare sector this year: devolution and the evolving relationship between the centre and ICSs. Our report, *Governing the Health and Care System in England*, led by Professor Sir Chris Ham, has been a catalyst for these changes and enabled us to support the development of NHS England's new operating model and regulatory approaches, as well as Patricia Hewitt's review of system accountability and autonomy.

### Influencing regulation and oversight

With risk management ranking among healthcare leaders' top concerns this winter, we urged regulators to take the challenging context into account in their regulatory activity. We successfully influenced the Care Quality Commission (CQC), Nursing and Midwifery Council and the General Medical Council to write to NHS leaders to confirm they will do this.

### Workforce

With the NHS facing one of the greatest workforce crises in history, we ramped up calls for the government to produce a much-needed plan. After continuous lobbying, the Chancellor committed the government to publishing an independent plan for the NHS in 2023. We will work closely with the government to inform the strategy, to secure assurance that it will be fully funded and that the aim is to move to longer-term workforce funding.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Commercial partnerships

In 2022 we finally delivered the inaugural NHS ConfedExpo, having cancelled the event in 2020 due to the pandemic. The event was a great success, attracting over 4,500 attendees and delivering 273 sessions in two days with 658 speakers. The event also exceeded its commercial targets, generating a surplus of £650,000 and selling all partnership and exhibition opportunities, with 160 partner organisations.

Planning is well underway for the 2023 event, with the vast majority of commercial partnership and exhibition opportunities already sold. The exhibition space has increased in 2023 by 50 per cent, demonstrating the success of this event.

Outside of NHS ConfedExpo, we continued to build relationships with new commercial partners including Google Health, sold out all opportunities for our ICS and Primary Care Network conferences, built year-long partnerships around our legal frameworks and governance work programmes, and launched the new Innovate Awards with the AHSN Network, delivering a sold-out event in September.

We have now commissioned PwC to support us to develop a new consulting offer, which will help us develop our presence in the improvement space while continuing to diversify our income streams.

Finally, after two difficult years due to the pandemic, our venue Horizon has exceeded income targets by 38 per cent, equating to a reduction in the budgeted deficit from £114,000 to a surplus position one year earlier than planned. This is a major achievement and we are now working to diversify our offering under the Horizon brand. As well as offering event space with virtual and hybrid options, we are now developing an event management service for external partners.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

---

### Key achievements in 2022/23

Throughout the past 12 months we have represented our members and kept them connected and supported.

#### Represented

We had a demonstrable impact on influencing the Health and Care Act 2022: the first major legislation on health and care in a decade. Rooted in engagement with members, we ensured checks and balances on the Secretary of State's powers and secured mental health representation on ICBs. We also influenced the policy guidance underpinning the reforms, including on integrated care strategies.

As the cost-of-living crisis started to escalate, we sounded the alarm over the impact of spiralling energy prices and fuel poverty on health outcomes, services and inequalities. Several organisations across the health sector and beyond amplified our message, resulting in action by the government to implement an energy price cap guarantee.

In response to deep concerns about the effect of inflation on pensions tax and the impact on NHS care, NHS Employers urged the Chancellor to take action on the NHS Pension Scheme. As a result, significant changes to pension rules were announced, in line with our asks.

NHS Employers continued its representation of the NHS workforce by gathering views and insights from HR directors and leaders to inform evidence to the Doctors' and Dentists' Review Body and the NHS Pay Review Body. NHS Employers researched, drafted and submitted written evidence and attended oral evidence sessions supported by senior colleagues from the service.

In response to an NHS Employers letter to the education secretary outlining members' concerns around the removal of BTEC qualifications and its serious impact on supply routes into key professions, the Department for Education agreed to pause the removal in light of the introduction of T Levels.

We have also capitalised on opportunities to influence policy development in the centre. In particular, having identified the capacity constraints in social care as a key driver of pressures for our members, we gathered views and evidence to highlight the impact on the NHS and outcomes. This has resulted in the issue receiving greater national recognition and we anticipate constructive action as the new government comes in.

The Messenger Review was the central opportunity for influencing policy dictating leadership development in the NHS. Many of its recommendations reflected what we highlighted as members' key areas for improvement, including greater structure and consistency in leadership development; improving diversity in senior leadership; emphasis on rewarding collaboration; and more support to leaders who take on challenging roles.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

As the national voice of ICSs, our ICS Network was the first port of call to support Patricia Hewitt's review of system oversight and governance. Our involvement helped secure strong engagement with ICS members and our wider membership, and representation on the review's workstreams.

The network also provided written and verbal evidence to the Health and Social Care Committee, as part of an inquiry into ICSs. It engaged with the Secretary of State regarding his request for system organograms, providing guidance and messaging to members.

We have continued work to support systems on the short-term and long-term challenges of improving population health outcomes and reducing health inequalities. Our Integration and Innovation in Action series provided members with an opportunity to share their good practice as well as a dedicated space for discussion and debate on population health. Next steps are to follow up with members to understand if the approaches can be scaled or adapted to develop a wider playbook, feeding into the population health management (PHM) report we are developing for NHS England.

Formation of the Public Health ICS Forum has created a unique tripartite coalition with Confed, the Local Government Association (LGA) and ADPH, aligned to public health challenges faced by systems.

With primary care under sustained pressure and scrutiny, our Primary Care Network engaged national NHS and political leaders on what primary care needs, contributing to the Health and Social Care Select Committee's key report on the future of general practice and meeting the Labour leadership over proposals to review the general practice model.

Our primary care members are actively involved in the implementation of the Fuller Stocktake recommendations, with six design groups established to support and influence implementation. The design groups bring together members across NHS Confederation networks as well as key experts.

Our Mental Health Network worked with the Mental Health Policy Group to shape the draft mental health bill: a vital piece of legislation for much-needed reform. Network chief executive Sean Duggan OBE provided oral evidence at the joint committee's inquiry into the bill to ensure workforce implications and the funding needed for implementation were considered.

The network also worked closely with NHS England on the NHS Long Term Plan (LTP) refresh and review of performance against LTP trajectories, including highlighting pressures, what members need to meet existing targets and where targets need to be flexed.

Our Acute Network worked closely with members and the NHS Transformation Directorate to influence the digital health and care plan and data strategies, raising key issues for members including the variation in digital maturity, legacy IT systems and the importance of interoperability as the ambition around digitisation grows.

Through our Provider Collaborative Forum, the Acute Network raised members' views on NHS England's provider collaboratives guidance and development of a maturity matrix. Based on extensive engagement with members, we urged NHS England to continue the permissive

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

framework and enable leaders to develop their collaboratives based on local need and relationships.

As the national voice of NHS community providers, the Community Network, which we host with NHS Providers, continued to comment on the challenges in discharging patients in a timely way, and the role of community providers in doing so. Prior to the Chancellor's mini Budget, the network called for the return of dedicated discharge funding, a form of which was subsequently announced.

With staff shortages in the community sector starting to bite, the Community Network raised the alarm over the staffing challenges facing community health services and put forward what is needed – nationally and locally – to avert a crisis.

The working conditions of black and minority ethnic (BME) leaders in the NHS were thrown into sharp focus in the BME Leadership Network's report, *Shattered Hopes*. Based on insights from more than 100 leaders, the network called for action to end cultures of discriminatory behaviour, personal support to current and aspiring leaders, and succession planning and talent development schemes.

As part of our work with NHS England to create a disability positive NHS, we held a national Disability Summit to improve the confidence and capability of leaders and managers, and influence policymakers in addressing the inequalities and challenges faced by disabled people in the workplace. 89 per cent of delegates either agreed or strongly agreed that the event improved their understanding.

In support of the wellbeing of trans and non-binary people, our Health and Care LGBTQ+ Leaders Network joined calls for a full and effective ban on so-called conversion therapy and submitted evidence to the consultation. The network also commissioned research to help healthcare leaders become more effective allies.

We represented the NHS on the European and international stage to promote NHS innovation; best practice on balancing access to data and protecting patient privacy; and barriers and enablers to cross-border health data sharing. We also played a leading role in the upcoming EU health data sharing legislation and convened a health sector alliance that successfully secured a government U-turn on GDPR legislation.

As part of the EU project on data sharing, the NHS Confederation finalised two official documents commissioned by the European Commission and successfully influenced EU data-sharing legislation and infrastructure developments on mechanisms to support the sharing of health data for the common good. Also following our interventions, the governance arrangements for European data sharing now mirrors the UK domestic health data infrastructure direction and, crucially, supports non-EU member state access.

The ongoing impact of our work to support health on the high street is being seen across the country, with local systems adopting approaches as set out by Confed-led work to offer support, guidance and advice throughout their development. For example, Barnsley Hospitals NHS Trust launched its community diagnostic centre in the Glassworks Shopping Centre and an ICS in the South East secured £250,000 of funding from One Public Estates to explore

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

what this might look like locally. The Dorset Health on the High Street partnership with the Arts University Bournemouth, which the Confed supported, has been nominated for an HSJ award and its concept was reflected in the Fuller Review.

Our work, reach and reputation on the relationship between health and economic and social development meant we were invited to lead the development of NHS England's work to define what that might look like for new ICSs around their fourth purpose of helping the NHS to support social and economic development. We were able to ensure that member views and wider partners' ideas were taken into account as per recommendations on the next steps, which we were happy to see reflected in NHS England's decision to fund a select number of ICSs within every region to work on this activity.

Building on this, our report, *Unlocking the NHS's Social and Economic Potential*, was published in December 2022, and is the first national report supporting ICSs to deliver on their fourth purpose. In parallel, we created several resources to complement this publication, including an interactive guide that system leaders and their constituent members can use to initiate and steer local conversations. These resources have been used in many conversations and continue to drive further national and local work to support systems to embed the learning.

We supported the launch of the IPPR Health and Prosperity Commission this year: a two-year major programme of work of which we are founding partners, that will explore the case that a fairer country is a healthier country, and that a healthier country is a more prosperous country. In addition to our chief executive Matthew Taylor being a commissioner and feeding into various working groups and thought leadership, we have launched work with five selected systems that will collaborate to deliver practice-based research on the relationship between health and prosperity in their local areas, developing a deeper understanding and principles on how to strengthen the link.

Our work on supporting the development of the post-pandemic NHS-university relationship continues to evolve, and we are at the heart of challenging leaders to better understand our collective impact. This is continuing to influence relationships and opportunities across the country, particularly in supporting the levelling-up agenda. For example, our head of health economic partnerships has been asked to join a working group led by the leader of Preston Council looking at how to develop a local strategy to respond to the Levelling Up White Paper and has been asked to be a co-investigator on an NIHR-funded research project to develop a model anchor hospital.

In partnership with Carnall Farrar we have built a campaign around research, publishing *From Safety Net to Springboard: Putting Health at the Heart of Economic Growth*, which illustrated the impact of investment in the NHS on economic growth. Representing the first national attempt at evaluating this impact, our research has been cited by a range of leaders, NHS England, think tanks and external partners, including an exclusive with the Financial Times.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2023

---

We continue to grow our reputation and reach in this area of work and be invited to participate in national events, including speaking at The King's Fund Time for Action on Poverty conference; co-hosting two National Inclusive and Sustainable Economies (NISE) webinars with the LGA around economic inactivity, mental health need and inclusive and sustainable economic approaches. Internationally, we represented our members at the first joint meeting of the UK-EU Domestic Advisory Groups and Civil Society Forums, set up to advise government on the practical implementation of the agreements between the UK and EU, recommending actions to solve or mitigate problems being experienced by the health sector.

Our international team has also forged links with prominent members of the European Parliament who sit on the joint UK-EU Parliamentary Partnership Assembly, with the intention of leveraging support for the NHS Confederation's asks on the consequences for the NHS of the future UK-EU relationship.

On ensuring the lessons are learned through the COVID-19 inquiry, we achieved impact early on in the process by influencing the terms of reference. The changes we proposed and that were adopted by the inquiry team have made them more representative of the efforts and pressures on the whole system and ensured a focus on communication with the service. Although there is more to do, we have now been asked to take part in the inquiry directly by providing evidence related to the service's preparedness for the pandemic.

Highlights for our policy impact include the delivery of work through our involvement in the Digital ICS programme supporting best practice for systems. Through this work, we have developed our profile in the digital space with ICB leaders and our members looking for board-level digital support.

The significant data and insight we have gathered over the period on where systems are in their journey also gave weight to our influencing work around the centre's plans for a digital NHS. This resulted in the Digital Health and Care Plan, published in summer 2022, reflecting many of our members' priorities in key areas. For instance, enabling data sharing; additional support in procurement of new technology; practical steps to ensure better interoperability of systems; and recognising the importance of the workforce and digital skills in delivering a future vision.

Our role in supporting the development of the upcoming NHS England digital inclusion framework and digital workforce plan is also providing us with opportunity to influence the aims and vision of how digital transformation can be embedded equitably and enable a strong digital workforce at the centre of transformation.

We assisted the Department of Health and Social Care (DHSC) in implementation of the Rare Diseases Action Plan for England by brokering engagement between DHSC and the European Commission's Rare Diseases Partnership, leading to UK participation in preparing the partnership's business case. NHS participation will mean that UK centres of clinical excellence can share expertise with European partners in developing and trialling improved treatments for rare disease patients.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

We are laying the groundwork for future influence in the net zero policy space and have been requested to join the NHS England panel on Healthier Futures Action Fund. The panel, chaired by Dr Nick Watts, reviews applications from NHS organisations who are doing innovative things to improve patient care, reduce inequalities and deliver good value while supporting achieving net zero. This places us at the centre of assessing best practice and being able to advise on funding allocations to be able to implement innovation.

We have also been invited to tender for the NHS England Greener team's proposal on developing and delivering an ICS sustainability leaders group to support the implementation of ICS and trust-level green plans.

We have escalated ICS members' concerns about the lack of financial flexibility impeding their ability to do transformation work and, following discussions with Treasury, this year's NHS England Planning Guidance (2023/24) reflected a more flexible funding for systems to deliver on local priorities and that the focus on productivity sits alongside continued investment. Our involvement in the guidance development meant that our members' views were also reflected in the fact that it was notably shorter with fewer targets, promoted genuine partnership between systems and the centre, and had a greater emphasis on outcomes and less prescription on how to achieve them. The guidance also acknowledged our members' view that prevention and the effective management of long-term conditions are key to improving population health and curbing the ever-increasing demand for healthcare services.

Ahead of the publication of the Welsh government's draft Budget 2023-24, the Welsh NHS Confederation (WNHSC) engaged extensively with members of the Senedd (MSs) and published a report on the priority areas for Welsh government investment. We provided written and oral evidence to the finance committee, commented in the media and published briefings for the Budget debates. The WHNSC received over 20 mentions in the Senedd and in committee reports during the scrutiny process.

The WNHSC strengthened its influence as the media's go-to organisation for system-wide patient flow issues. The team conducted a survey of NHS leaders in Wales to refine and evidence member views on integration and patient flow, making calls to the government to provide sustainable funding for social care to enable recruitment and retention, as well as greater overall investment and career progression opportunities. This led to responses from political parties; further discussions with MSs, including the Minister for Health and Social Services, around the issues raised; being quoted in a Senedd research blog; mentioned in Senedd debates and covered on BBC Wales News.

The role of the Northern Ireland NHS Confederation (NICON) has repositioned in the system to provide leadership space and a new partnership working approach with the Strategic Planning and Performance Group and the Department of Health, with three NICON members sitting on the Improvement and Transformation Advisory Board.

NICON's report, *Securing the Health and Wellbeing of our Population 2022-2027*, represented collective views of NICON members to inform the public debate on the progress of health and ae in Northern Ireland, in the run up to the May 2023 Assembly election.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Supported

Across the organisation, we are delivering a step change in the direct support we provide to our members through a number of improvement initiatives. Our ambition is to be the single most important (independent) organisation driving innovation and improvement in the NHS. We already have a number of active work programmes, including a unique leadership development programme for ICS leaders built around peer-to-peer collaboration; a strategic partnership with the Q Community to help embed quality improvement approaches into the NHS; a strategic support offer to equip and enable healthcare leaders to tackle inequalities; a peer support and learning programme for first-time NHS provider trust chief executives; and a leadership development consultancy for primary care, developing system and network leadership capability.

We renewed our commitment to tackling inequality and eliminating racism through the launch of our anti-racism offer for members. We proactively worked with members across the system to support greater understanding and action on deep-rooted issues.

We worked with NHS England and the Nursing and Midwifery Council to produce an anti-racism resource for nurses, midwives and nursing associates. The resource also supports NHS leaders to ensure robust procedures that deliver their NHS commitment to a safe and respectful environment for all.

NHS Employers carried out extensive work (including with DHSC and NHS England) to help prepare members for the growing industrial unrest across the NHS. Working with legal partners Capsticks, comprehensive guidance has been prepared for members in relation to industrial action.

NHS Employers led joint work with Skills for Care and the LGA/ADASS to support integrated workforce thinking across social care and health. A joint document was published in October that has been positively received by members and partners.

Through our partnership with The Prince's Trust, led by NHS Employers, we have supported over 2,800 young people into employment in health and social care, around 1,500 veterans have registered on the Step into Health candidate management system, and we've supported 11,500 international nurses and midwives to be recruited ethically.

In partnership with the Forward Institute, our ICS Network established Connected Leadership, a unique leadership development programme to support ICS chief executives and chairs as they cultivate their leadership styles.

Our Leading Integration Peer Support programme, run jointly with the LGA and NHS Providers, continued to offer peer support at system, place and neighbourhood levels. We developed a range of webinars and case studies to share experiences and the impact the programme has had.

NICON launched and delivered the Chief Executive Leadership Development Programme, with two sessions delivered successfully to date.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

The core team at NICON was bolstered by two new peer support officers, who provide support to the chief executive group, HR directors and directors of performance and people, while developing work programmes and relationships with other groups.

Our Acute Network established action learning sets to support emerging policy and practice around provider collaboration and place-based leadership.

The network also worked with Proud2beOps to support operations leads across the country on issues such as pensions, infection prevention and control and career development.

Our Mental Health Network supported commissioners to improve services for people with learning disabilities by publishing guidance, alongside the Foundation for People with Learning Disabilities and Mencap, following roundtable discussions between people with learning disabilities and commissioners.

More than 300 participants joined our Mental Health Network's webinar on improving early intervention support for children and young people who identify as LGBTQ+. Delegates delved into the learnings from the Queer Futures 2 research project, including how to effectively use the tools created by the research team.

The network hosted a webinar on personality disorders and comorbidities to platform the lived experience of service users. This session was part of the award-winning Tale of Three Cities initiative, which aimed to shift the dial on personality disorder stigma.

Together with NHS Providers, we delivered the week-long #CelebratingCommunityServices social media campaign in December to highlight the breadth of community services, their importance to people's lives and how they contribute to the smooth running of the health and care system.

The Community Network engaged with NHS England over national data for the sector and commented on the publication of urgent community response (UCR) data in national performance statistics. It also published opinion pieces and case studies spotlighting the benefits to the system of UCR services.

The Primary Care Network launched its leadership development programme for primary care network leaders in the south east, commissioned by NHS England's South East region, working in partnership with London South Bank University. Primary care network managers continue to meet monthly to share, learn and support. Working with the ICS Network, the Primary Care Network established two new forums – the ICB Directors of Primary Care Forum and the ICB GP Partners Forum – bringing together colleagues to drive strong primary care voice and oversight within ICBs.

Our BME Leadership Network launched a leadership mentoring programme for its members, following a successful pilot scheme. The programme supports recommendations from the network's Shattered Hopes report and will help black and minority ethnic leaders to navigate their own leadership journey and challenges, and support others to do the same.

The WNHSC's support for ten executive director peer groups continued, providing enhanced secretarial and policy development support through the NHS Wales Leadership Programme.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

There has been a strengthened focus on sharing knowledge and expertise across peer groups to increase understanding of whole-system priorities, creating the impetus to explore shared challenges and develop collective solutions. As part of this, the WNHSC held a peer group forum event with over 120 attendees, where members discussed and developed initiatives to transform NHS services.

Following extensive engagement with NHS leaders, the Welsh NHS Confederation has responded to over ten Senedd Committee inquiries and Welsh government consultations. The team also supported over 30 NHS representatives to provide oral evidence to Senedd Committee evidence sessions to ensure NHS leaders' views were heard. This has led to over 100 mentions in the Senedd on a range of subject areas including dentistry, mental health inequalities and pressures on health and social care. The Welsh NHS Confederation recently commissioned a perception audit of members of the Senedd, receiving very positive feedback about our work and how we have influenced debates and scrutiny of government.

#### **Connected**

In June 2022 we brought together more than 6,000 people from health, care and beyond for NHS ConfedExpo. Delivered with NHS England, the event provided a unique space to share, learn and reconnect following the pandemic. The BME Leadership Network brought members together at two in-person events during NHS ConfedExpo in June and Black History Month in October, where we were proud to host John Barnes MBE and broadcaster Dr Adam Rutherford, respectively, to share their insights and spark quality discussion.

Primary care members met with sector leaders and senior leaders from NHS England and other key stakeholders at a House of Lords reception launching the Primary Care Network, while more than 250 primary care network managers attended the Primary Care Network's forum for this group of leaders, providing a safe space to help one another navigate this new role and system working.

Forty-eight organisations from across health and care joined our 2022/23 Diversity in Health and Care Partners Programme starting in September 2022. The year-long programme includes face-to-face interactive modules, specialist virtual masterclasses, access to leading industry experts, good practice, guidance and resources.

NHS Employers programme networks on education and training, The Prince's Trust, health and wellbeing, staff experience, staff engagement, reward and recognition, international recruitment and safer recruitment have continued to grow in membership. They provide a space for members to link up with others in similar roles to share learning and evidence about what has worked elsewhere and to inspire trusts to launch new initiatives.

The ICS Network brought together 160 ICS leaders and partners at its annual conference and member dinners to connect with local authority leaders; ministers; NHS England colleagues; and partners from the voluntary, community and social enterprise sector. It convened members as part of its Spotlight series on topics including metrics of integration, children and young people's services and medicines optimisation.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2023

---

Working with the ICS Network, NHS Employers established a systems and integration programme to strengthen the connections around system workforce issues. This programme provides a space where system stakeholders and workforce leaders come together to champion and support the 'one workforce' vision, which enables joined-up local services centred around people and communities to improve health outcomes, enhance productivity and support social and economic development.

We launched our LGBTQ+ Network Conversations, creating protected spaces for LGBTQ+ people to come together to discuss pressing issues. The first two online events focused on authentic leadership and the Workforce Sexual Orientation Monitoring Standard.

The Community Network facilitated conversations between community provider chairs, chief executives and Dr Amanda Doyle, NHS England's director of primary and community care, to shape her understanding of, and national priorities for, the community sector. The network also met with minister Helen Whately MP to discuss national priorities for the community sector.

The ICS Network supported integrated care partnership (ICP) chairs to develop their ICP strategies and facilitated connections with ICB chairs to ensure a joined-up approach. The network supported non-executive directors (NEDs) of ICBs and provider organisations, offering help and support on governance. It further developed relationships with the Health Devolution Commission, the Health Foundation and The King's Fund, and developed a strategic alliance with NHS Providers and the LGA to support systems.

The network also provided more support to chief executives, chairs and their executive teams by establishing new forums, including forums on provider collaboration and virtual care, and a forum for ICS chief nurses, run with the Queen's Nursing Institute. The forums encourage peer learning and support, information sharing and opportunities to influence guidance.

Since ICSs became statutory bodies in July 2022, our Acute Network has held regular roundtables with acute leaders so they can share their thoughts on system working. The network also convened a stakeholder reference group across our membership to support NHS England with the development of the urgent and emergency care strategy.

With the aim of sharing the latest thinking, insights and best practice, NHS Employers has successfully delivered a range of conferences throughout the year on workforce supply, staff experience, the Armed Forces and our tenth organisational development conference in partnership with NHS England. Over 90 per cent of delegates rated the conferences as good or excellent.

NHS Employers' ever-popular Strategic Workforce Forum took place on 10 and 11 October, bringing together around 100 senior workforce leaders. The theme was leading change and gave delegates the opportunity to hear about national workforce policy priorities, integrated workforce planning, inclusivity and team effectiveness.

Our Mental Health Network ran a series of programmes and regular meetings to connect members to each other and different parts of the system, including weekly meetings for mental

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2023

---

health trust chairs, a mental health, learning disability and autism systems group, a learning disabilities forum and monthly meetings of the Independent Sector Mental Health Group.

It also hosted a meeting between mental health trust chairs and senior CQC leaders, including chief executive Ian Trenholm, for an open and honest discussion around quality improvement and how the CQC can support trusts on their improvement journeys.

The Community Network held a session for community providers on implementing the Fuller Stocktake with Dr Clare Fuller and NHS England's director of personalised care, James Sanderson. The network also hosted a roundtable with members to inform the CQC's evolving approach to regulation.

Close to 140 members attended the Health and Care Women Leaders Network's sixth annual conference in November. The face-to-face event highlighted work to progress gender equality, with a focus on women's safety, women's health, inclusive leadership, allyship and supporting creative disruptors.

The Welsh NHS Confederation Health and Wellbeing Alliance has gone from strength to strength, re-branding and developing shared policy positions to garner greater political influence by working in partnership across 80 health and care organisations in Wales. The report, *Mind The Gap? What's Stopping Change*, developed in partnership with the Royal College of Physicians, featured calls for a cross-government plan to tackle inequalities. A follow-up report, *Everything Affects Health*, detailed how organisations across Wales are working to break down these barriers. Both reports were endorsed by over 50 organisations and led to further engagement with Welsh government officials and opposition parties, who supported our calls in the Senedd.

The first WNHSC Annual Conference and Exhibition since February 2020 brought together over 300 delegates from across health, social care and beyond, with a sold-out exhibition and positive feedback on the breadth of topics covered. The Wellbeing for Wales webinar programme continues to promote thought leadership from across sector boundaries, attracting over 1,000 delegates throughout the year.

NICON held its biggest conference to date, with 750 people attending and 150 online.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Plans for 2023/24

##### Supporting the workforce

- **Workforce strategy:** Following our successful lobbying for a long-term plan to be published, we continue to press for it to be fully funded. If there is a need for prioritisation we will press for investment in mental health, learning disabilities and new community models including primary care. It is anticipated there will be a stronger focus on apprenticeships and will support our members through capitalising on the opportunities this creates, particularly in relation to widening participation. We will also influence future iterations of the plan, which we believe should be refreshed every two years built on systems' plans and priorities.
- **Integrated workforce thinking:** We will continue to strengthen the partnership with Skills for Care and the LGA through monthly meetings and sharing ideas on how best to support the three workforces collectively across the system. We will do this by sharing good practice and by developing further resources to help people understand how they can collectively grow, retain and develop their own workforce.
- **Workforce capacity and productivity:** Through research scoped and launched this year to support arguments for investment in workforce, we will look at impacts on productivity; the ability to hit key targets; and pay and capacity in other sectors. These findings will influence the upcoming long-term workforce strategy.
- **Workforce equality and inclusion:** Led by the equality, diversity and inclusion (EDI) team and NHS Employers, we will work closely with the centre on the development and implementation of the upcoming Workforce Equality and Inclusion Plan, ensuring members' views are represented.
- **Nursing pay spine:** NHS Employers will work with DHSC and Agenda for Change unions to consider whether a separate pay spine for nursing might be established. This work will need to take account of the changing responsibilities of nursing staff as well as the design and implementation issues, including scope and legal aspects of any such separate pay spine. We will engage with employers to discuss the considerable implications of this pay-spine work, as well as the range of legal, financial and operational factors and risks that will need to be reviewed.
- **NHS Pension Scheme:** NHS Employers will continue to influence changes in the NHS Pension Scheme to allow for greater flexibilities for all NHS employees. We want to ensure that membership of the NHS Pension Scheme is attractive, affordable and

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

accessible for all staff and the scheme remains a valued part of the reward offer, to support recruitment and retention across the NHS.

- **System engagement:** Through the ICB NED workforce leads and the chief people officer (CPO) forum, we will create the opportunity for peers to collaborate strategically, share intellectual capital and connect to support delivery of the 'one workforce vision' and influence national policy impacting on the workforce.
- **NHS Wales workforce:** Working closely with NHS Wales Employers and Health Education and Improvement Wales, the Welsh NHS Confederation will raise awareness of the key issues and opportunities relating to the health and care workforce, including recruitment, retention, training and staff wellbeing. NHS Wales Employers will continue to effectively engage with trade unions, professional bodies and the Welsh government on strategic workforce issues on behalf of NHS Wales Employers.
- **International work:** We will represent NHS staff and employers' interests in the new UK-EU relationship, including contributing specialist expertise on professional regulation (recognition of international qualifications) and employment legislation arising from proposed government changes to retained EU law (REUL); and raising issues of concern to the health and social care workforce in the government's domestic advisory group. Through our membership of HOSPEEM we will continue inputting into upcoming EU-wide occupational health and safety or other UK-relevant policy initiatives.
- **Mental health nursing – attitudes and access in 2023:** We will continue work to highlight the challenge the mental health sector faces in access to mental health nursing careers. We will be publishing an updated long read of the joint NHS Employers, Mental Health Network and Nuffield Trust report into attitude and access to mental health nursing, first published in 2020. This refreshed report will explore the current enablers and barriers, with the aim of ensuring the mental health nursing workforce is effectively included in the long-term workforce strategy.
- **Mental health workforce planning for the future:** We will work to identify the current challenges faced by the mental health workforce and what is needed to achieve the vision of mental health services set out in our visionary report, No Wrong Door.
- **Learning disabilities briefing:** We will work with the Learning Disabilities Forum to identify the challenges facing the learning disabilities workforce and support its future development. This will include a briefing that highlights the challenges in the learning disability workforce, with a focus on learning disability nurses and psychiatrists.
- **Messenger Review:** We will continue our work as part of the Review Implementation Office to put into practice the recommendations of the review of NHS leadership.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

- **Mental health work:** We will be increasing the profile and understanding of pressures and showcasing solutions to some of the challenges that mental health leaders face, developing policy recommendations as well as practical support informed by member views.
- **Connected Leadership programme:** Crucial to the success of ICSs and their leaders is that they foster a culture and practice of collaboration, requiring energy, empathy and resilience. The leadership programme will continue into 2023/24, supporting leaders with the practical tools and space to develop this.
- **Diverse board recruitment:** We will work to tackle the lack of diversity on NHS boards to improve the diversity of thought that drives better access, experience and outcomes. This includes offering member support for diverse recruitment, and development of a best practice recruitment guide to inform national work and implementation of one of the key Messenger Review recommendations.
- **Inclusive employment and career equity models:** We will be developing and testing two models with the aim of scaling them as a support offer to members. The inclusive employment model covers recruitment, onboarding and the development journey to ensure that this experience is consistent. The career equity model enables using the skills and talents of a locally derived workforce for career progression, addressing the issue of why Workforce Race Equality Standard (WRES) data fails to match population diversity beyond senior band levels (7/8a).
- **Race equality programme:** Having developed an internal NHS Confederation anti-racism strategy and education programme, we will help networks to develop their support offers for members, including developing their strategy, implementing best practice, and peer learning.
- **DHSC-commissioned work:** NHS Employers will continue to deliver the DHSC-commissioned service to support and represent NHS organisations in England. Within this we will lead the national collective relationships with our trade union partners on partnership, contracts and pensions; represent the NHS to government on workforce matters; and provide support to employers in key areas. This support includes dedicated regional employer networks as well as specific policy areas such as supply, wellbeing and reward.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Integrating health and care

- **State of ICSs:** We will develop a definitive and comprehensive assessment of ICS maturity one year on from their establishment. This will be based on a substantial survey of members, supplemented by roundtables with wider stakeholders and analysis of performance data, as well as drawing on LGA's parallel survey for local authority partners. We will use the findings to develop evidence-based policy recommendations for the centre and for systems themselves, in terms of what is working well and what we can learn one year on.
- **ICS profiling:** We will create a comprehensive dashboard of ICS development based on publicly available quantitative data to describe performance, context, governance, population health and workforce, as well as qualitative data based on member conversations and insights on the maturity of the system.
- **Championing integration:** We will continue our work to champion and maintain commitment to the integration agenda via development and sharing of best practice case studies aligned to key policy development areas, including through the Mental Health Network best practice library.
- **Integrated neighbourhood teams:** We will work across networks to support the influence and impact of primary care at neighbourhood, place and system level, playing an ever-increasing partnership role in the design and delivery of personalised, integrated care. This will include supporting providers on local structures to improve neighbourhood, place and system working and sharing learning on how to deliver integrated neighbourhood teams, as described by the Fuller Stocktake.
- **Mental health:** To help ensure that there is the same focus on innovation in mental health systems and services, we are developing a library of good practice across all parts of the mental health, learning disabilities and autism pathways and services. This will include a focus on integration and innovation, international examples and amplifying good practice from members.
- **Provider collaboration:** We will continue to build on the Provider Collaboration Forum's peer learning methodology and learning space. The focus will be on supporting members to engage and explore topics aligned to their development, particularly in building relationships with other parts of the system and with a policy focus on ensuring a permissive approach to their development. We are looking to work on areas such as the emerging primary care collaboratives and supporting their voice in the system, clinical leadership to drive change, workforce and engagement, the interface between provider collaborations and place, and highlighting the power of provider collaboratives in system working.
- **Place-based leadership:** In 2023/24, we will continue with our peer-led, solution-focused, improvement approach to support those working in place-based partnerships. We will target our support towards those in place leadership roles, offering networking,

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

influencing and development opportunities through peer learning sets, webinars and key publications. Critical policy focuses of the work will include developing the key role of primary care in place-based working, establishing a new narrative with the community, and developing the flow of influence from system to place, place to neighbourhood, and back again.

- **Integration white paper:** We will work to influence and support the development and implementation of the integration white paper, with an update expected in Q1. We plan to ensure that members' views are represented in the planned development of local integration frameworks and S75 reforms, and that this aligns with recommendations stemming from the Hewitt review.
- **ICS governance:** We will support ICSs and influence the centre on their behalf as they continue to develop their governance structures into their second year of existence and navigate the addition of new commissioning responsibilities and consolidation of their system-level funding and structures. This includes continued work to support development of the role of system NEDs. We will also influence guidance on ICS governance so it is aligned with our members' interests.
- **System commissioning development:** Working with directors of primary care, we will support primary care, mental health and system commissioning development through showcasing commissioning and contracting within (and with) primary care that has been made simpler, is outcome focused, and has enable integrated working, ensuring this is aligned with Hewitt review recommendations.
- **Pharmacy, ophthalmology and dentistry (POD) commissioning:** We will build on our work this year to learn from the delegation of primary POD commissioning functions to early adopter systems. We are planning specific work on dentistry to represent ICS member concerns to senior decision makers in NHS England and government. We will put forward clear recommendations on how ICSs should be supported through robust national support in areas such as workforce and funding, and will offer support to ICSs including through sharing of best practice.
- **System accountability and oversight:** We will work with the CQC to influence and support the assessment of systems, ensuring this is aligned with the findings of the Hewitt review and our members' desire for a lean, light and agile regulatory culture. We will be supporting the evolution and implementation of NHS England's new operating framework, working with Chris Ham and NHS England's chief delivery officer to design and facilitate engagement primarily through a working group with members across the organisation. We will ensure the principles of the operating framework as well as the Hewitt review are embedded in other policy developments and guidance, in particular an update to NHS England's oversight framework.
- **Advancing transformation in Wales:** The Welsh NHS Confederation, along with the executive director peer groups, will identify and facilitate opportunities for collective action to enable transformation, cohesion and innovation to advance at pace. Raising awareness of the pressures on the social care system and the impact on the NHS will

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

continue at every opportunity. This will be achieved through developing further relationships with the Welsh Local Government Association, the Association of Directors of Social Services Cymru and working closely with social care partners through our Health and Wellbeing Alliance.

- **International regulatory environment:** We will be monitoring and influencing through our membership of and influence on international organisations to reduce regulatory barriers and align with NHS interests. Domestically, we will continue to input to negotiations on UK trade deals, and use our position on the Domestic Advisory Group to flag potential issues arising from regulatory divergence from the EU.
- **Hewitt review:** In the year ahead our work will focus on building on the support provided to Patricia Hewitt's review of ICSs' accountability and governance to ensure recommendations are implemented and are representative of our members' views.
- **Planning guidance 2024/25:** We will continue our annual ongoing work to monitor specific targets and objectives set out in the planning guidance and continue to develop our key metrics dashboard. The work will culminate in engagement with NHS England ahead of the publication of the annual planning guidance and a member on-the-day briefing.

#### Improving population health

- **Leveraging health inequalities (HI) funding for impact:** We will influence the most effective and impactful use of HI funding in systems. This work will begin through research looking at the potential impact of a move from ringfenced to recurrent HI funding, including best practice examples of how the money is leveraged for impact. Work through the year will focus on spotlighting levers and enablers, opportunities to improve transparency (as aligned to emerging Hewitt recommendations) and influencing future funding.
- **Equality in Mental Health Act detentions:** We have launched a joint priority between the Mental Health Network, EDI networks and the Race and Health Observatory, in response to joint committee recommendations on the draft mental health bill to strengthen action to address rising numbers detained under current legislation and tackle failures on racial inequalities. In the coming year, through this joint priority we will take action on Mental Health Act detentions by developing recommendations and supporting system leadership action to address disproportionate mental health detention of BME people, especially black men. The Mental Health Network will also be supporting the Mental Health Act Quality Improvement programme.
- **Tackling health inequalities in Wales:** By maintaining positive relationships with members of the Health and Wellbeing Alliance, the Welsh NHS Confederation will continue to call on the Welsh government to introduce a cross-government plan to tackle health inequalities. Through policy and public affairs work in Wales, including

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

through briefings and inquiry responses, we will raise awareness of key messages relating to population health, prevention and reducing health inequalities.

- **Mental health bill:** We will be working with Mental Health Policy Group colleagues to ensure that we are championing our members' concerns and priorities as the mental health bill passes through parliament. This will include ensuring sufficient additional resource is secured for implementing the changes.
- **National framework development:** There will be joint work between policy, EDI networks and the ICS Network to ensure systems have the national framework to create health and reduce inequalities, by advocating for a cross-government 'health in all policies' approach and influencing policy on the causes of ill health. This will be supported through ongoing engagement with the HI and EDI reference groups.
- **'What good looks like' in tackling HI for systems:** We will codesign resources, webinars, roundtables, thought sessions, blogs and member case studies, shared via a new resource hub. This will include development of a new five-step model methodology being tested to tackle inequality.
- **Reducing inequalities for people diagnosed with borderline personality disorder:** The Mental Health Network, in partnership with people with lived experience, will coordinate activities to focus on and reduce the inequalities faced by people diagnosed with borderline personality disorder. This will include a metro mayors roundtable and webinar during Borderline Personality Awareness Month in May.
- **Public Health and ICS Forum:** We will work to amplify the voice of public health in systems and nationally via partnerships with the LGA and the Association of Directors of Public Health. This will focus on campaigns for adequate public health funding, workforce and data to support well-targeted initiatives aimed at the areas that require the most investment and support.
- **Population health management:** We will be building on work with industry partners to review different approaches to PHM. We will support NHS England's work on PHM implementation, exploring technical approaches including the development of a maturity matrix, and the potential to join up work with the LGA to ensure considerations around joint model design and data access are incorporated.
- **Integrated care strategies for population health:** We will review ICSs' strategies to benchmark different planned approaches to PHM and, based on this, will share best practice around developing and implementing more targeted approaches. We will incorporate recommendations from the Hewitt review into this work to take into account a new split of accountability between ICS's and the centre.
- **Major conditions strategy development:** We will be influencing the upcoming strategy to take a population health and life-course approach that reaches wider than clinical healthcare. Our work will ensure members' views are represented and we influence the new strategy to align with recommendations stemming from the Hewitt review for a cross-government health promotion strategy, ongoing work on prevention,

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

wider mental health priorities and links into innovation opportunities, as presented through the Life Sciences Missions launched in 2021.

- **Influencing new prevention policy and inquiry:** Our central policy priority in the coming year is to make the case for greater investment in prevention and the adoption of a 'health in all policies' approach across government to create healthy communities and manage demand on the service. We will work to ensure members' views are represented in the development of the NHS England plan around secondary prevention, including testing ICS views on key issues, enablers and barriers. We will input into the scoping of the Health and Social Care Committee inquiry into prevention, to shift narrative wider than secondary prevention to influence and reduce the demand on the system and tackle inequality.
- **Link between cost of living and health:** We will be supporting systems to act on wider determinants evidence, influence strategies and joint forward plans; and influence activity from NHS England and the Office for Health Improvement and Disparities (OHID). We will build support for ICPs in this space, sharing good practice and positive stories.
- **Integrated care strategy implementation:** Our policy team and ICS Network will work together to build on ICS strategies and support the development of joint forward plans, drawing on the relevant evidence around the wider determinants of health. We will influence NHS England and OHID around the level of scrutiny and information available to inform the plans.

#### Driving innovation

- **ICS digital boards leadership:** We will continue to jointly run an NHS England-funded programme with NHS Providers to build ICB board understanding of the potential and implications of the digital agenda at system level, including the NHSX What Good Looks Like framework, and increase their confidence and capability to harness the opportunities it provides. Having completed the discovery phase in 2022/23, we will move to the delivery of 42 bespoke board sessions for ICBs, cross-ICS peer learning sessions and the ongoing curation and sharing of insight.
- **Digital inclusion:** We will support systems to explore the opportunities and challenges of digital inclusion as set out in the Digital Health and Care Plan's commitment to digitally and inclusively transform the NHS. We are working with NHS England to ensure our members' views are represented in the development of a national digital inclusion framework for systems. Alongside this, we will develop a Confed research report based on member engagement on what good looks like in terms of digitally inclusive systems.
- **Digital leaders forum:** We will continue to work with the recently established digital leaders forum to gather insights, best practice and inform our policy work, as well as to provide improvement and challenge for members and a space for digital leaders to

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

access peer-to-peer learning. The initial policy focus will be on the digital recommendations flowing from the Hewitt review, in addition to exploring the demand management optimisation opportunities stemming from digital hubs. We will also explore opportunities to partner with commercial sponsors on topical sessions and products, including on technical areas that will grow members' expertise around areas such as cybersecurity, virtual care, data sharing, leadership and change.

- **Digital mental health:** We will investigate and set out an outline of digital mental health services within systems and providers, alongside policy recommendations for the centre on supporting systems to improve digital transformation in mental health. We will explore the potential to develop this into a direct member offer, providing practical advice to improve digital care.
- **Technology in enabling out-of-hospital care:** We will be undertaking research sponsored by Google Health into people's perspectives of using wearable technology and how it can play a role in supporting their health. A joint report on this will be presented at NHS ConfedExpo 2023. We are then planning to engage members to explore how the research insights can inform their planning and delivery of services to provide care in the most appropriate setting and explore how wearable tech can support admission avoidance and keep people well in their communities.
- **Digital workforce planning and capability gap:** We will engage members and feed their views directly into the development of the upcoming digital workforce plan. We will then look in more detail at how digital and virtual care teams (clinical and operational) currently look, versus what they are being asked to deliver, to identify what will allow them to maximise the impact of new technology. We will examine the impact of workforce shortages on digital care and look to champion where progress has been made. Based on the gap between what the teams have and what they need, we will develop recommendations to the centre.
- **Articulating system pressure:** We will track key performance metrics as set for recovery, in guidance, or in the uptake of guidance. We will also be supporting implementation of the national elective recovery plan, tracking progress against targets and highlighting issues / new innovation.
- **Virtual care:** We will build on substantial engagement with systems over the past year to understand where they are on their journey to implement virtual wards and meet the national ambition to increase capacity to 40-50 'beds' per 100,000 population by December 2023. We will draw out the lessons from members' experience in a report, highlighting key enablers and barriers to progress, and use findings to inform ongoing influencing of the centre on target setting or support required for the systems furthest behind to make up ground.
- **Mental health and housing:** We will work to understand and amplify good practice innovation and models in mental health and housing, with the priority to ensure effective and efficient pathways and high-quality services in the community.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

- **Scaling innovation:** We will examine the barriers to scaling innovation in the NHS by working with a focused group of members and industry partners to look at solutions to the key issues. To support the evidence base around this we will work with the Office of Life Sciences on a deep dive of a number of key innovations in healthcare to examine what works and why when scaling innovation.
- **Sharing innovations in Wales:** Members and stakeholders in Wales will continue to have opportunities to showcase innovation and share best practice through our events and external affairs work to improve patient outcomes and efficiencies. Through continuing close work with the Comms and Engagement Heads of Profession Peer Group, the Welsh NHS Confederation will raise awareness of innovation throughout the NHS and how services are being transformed to provide person-centred care.
- **Partnering with industry:** We will continue our masterclass series with ABPI, exploring ways the NHS and industry partners can work together to improve health outcomes. Sessions will continue to bring together chief innovation officers and directors of strategy and transformation (plus other aligned roles) to provide peer-to-peer support, and to help the Confed support national influencing, engagement and practical implementation with the aim of ensuring innovation is not seen as 'another add-on burden'.
- **Partnering with Academic Health Science Networks:** We are agreeing the scope of the partnership next year, building on the successful joint Innovate Awards this year to celebrate excellence in health and care innovation.
- **EU Horizon project (Transforming Health and Care Systems):** The NHS Confederation will represent the UK on an EU-wide research project that aims to support the development of frameworks for transferring and implementing innovation in health and care; the creation of toolkits for policymakers to help them understand innovations; the development of the innovation ecosystem and knowledge sharing; and designing, advertising and assessing funding calls for the NHS.
- **International work:** We will continue to ensure NHS interests are met in the UK-EU relationship; that the World Health Organization policy and legislation benefit the NHS, that NHS interests are met in international trade deals; and workforce good practice is exchanged with EU and international organisations.
- **Understanding Patient Data (UPD):** The NHS Confederation will take over the running of the UPD organisation from the Wellcome Trust from April 2023. In 2023/24, UPD will build on existing work by commissioning research on the best words for the NHS to use to talk about topical health data developments, creating explainers on the wide range of policies, strategies and guidance in the health data space, and will continue to feed into UK-wide health data developments and engagement activities.
- **Digital and data capability in primary care:** We will work to support the development of business intelligence capability in primary care to deliver better service and

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2023

---

workforce planning through sharing of best practice in data/digital solutions and exploring the potential for automation to improve service delivery in primary care.

- **ICS green strategies:** Building on this year's analysis of plans to better understand the focus of ambitions and how they vary between regions, we will continue to support the delivery of green strategies and sharing best practice through partnership working with key partners, including the Health Foundation and Yorkshire and Humber AHSN.
- **Cleaner air:** We have partnered with Boehringer Ingelheim to further develop its cleaner air framework to reduce health inequalities in local populations. In the coming year we will bring together ICS sustainability leads to look at how air pollution is affecting population health, impacts on health inequalities and what is being done to address this. Through this work we aim to gain a better understanding of the impacts of air pollution on population health and how the framework can be adapted by other ICSs.
- **COVID-19 Inquiry:** We will continue our work with partners to document lessons learned from the COVID-19 pandemic and influence the inquiry narrative to represent members' interests. We will share key developments with members and provide support wherever possible. We will develop and submit evidence and witness statements to the inquiry as and when requested.

#### Enhancing the NHS's role in economic development

- **Health Anchor Strategy:** We will continue to lead the public discourse on understanding the links between the health sector and the economy, articulating the value of the NHS as an anchor in both national policy and local practice. This builds on work with employers and ICB workforce leads to develop what being an anchor involves in practice, from a workforce and employment perspective.
- **Developing the fourth purpose of ICSs:** Following on from our fourth purpose report, we are continuing to develop our offer to support ICSs to implement recommendations and base plans around our fourth purpose toolkit and maturity matrix. Through these efforts, we aim to develop our consultative offer and work directly with systems to illustrate how social and economic development can be advanced locally as well as how they can track their respective progress.
- **Learning capture:** We will work with ICPs and partners to develop what good looks like in behavioural and cultural elements of delivering the potential wider economic and social impact of systems. This will be achieved through work funded via an NHS England contract, jointly delivered with National Voices and the National Association for Voluntary and Community Action, and will culminate in a report identifying what institutions and relationships constitute local health economies.
- **Connecting the system to funding opportunities:** We plan to serve as the go-to NHS expert source for information on place-based funding, by providing a broad,

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

comprehensive and up-to-date outline of funding available, as well as applicable information such as eligibility, timing and deadlines, previous use cases, and bespoke application advice. We will provide summaries of emerging funding and funding awards as they are released, such as the Levelling Up funding. We will also link our members to opportunities for EU funding opportunities via our international work and the Horizon Europe project on transforming health and care.

- **Health and prosperity:** We will continue our partnership work with the Institute for Public Policy Research on its commission to lead a flagship intervention that looks at understanding health economies. We are working directly with a group of ICSs to develop understanding of the mechanism for how the NHS delivers economic value.
- **NHS Wales and local economies:** Through regularly attending the Directors of Finance Peer Group meetings and working closely with Welsh government officials and NHS Confederation colleagues, the Welsh NHS Confederation will gather views and understanding of the NHS's role in local economies and raise awareness of this work across the NHS in Wales. We will also support NHS chairs and CEOs in Wales to raise awareness of the role that the NHS plays in sustainable economies during discussions around COVID-19 recovery, including the role of the NHS as the biggest employer in Wales, and supporting the delivery of the foundational economy programme in Wales and the wider NHS Confederation work.
- **Health as an investible proposition:** Building on research to make the case for investment in the NHS as an economic driver in 2022/23, we are now working in partnership with Carnall Farrar to look more closely at where that investment is best targeted. The work aims to make the case for health as key economic player, with viable investment opportunities that have impact beyond the boundaries of the NHS.
- **Health on the high street:** The Health Economic Partnership (HEP) team is now partnering with Legal and General (L&G) to offer ICSs a support package for those systems keen to explore health on the high street in a range of L&G-owned developments to bring healthcare offerings into the community, at the same time as developing our high streets.
- **Unlocking education and training partners:** The HEP team continues to explore the critical relationship between universities and the NHS and their collective role in contributing to their local society and economy.
- **Devolution Working Group:** With the LGA, we plan to establish a time-limited joint Health and Devolution Working Group, which will go live in Q1 of 2023/24. The aim is to understand the priorities, opportunities and challenges for leaders in local government devolution areas and ICSs in bringing health in. The group will convene ICS, ICP and local government leaders as well as a range of leaders from other sectors. It will identify and discuss the challenges and opportunities of aligning local government and health devolution and identify emerging good practice.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

- **Inclusive recruitment:** NHS Employers-led work will continue with The Prince's Trust team to support employers to recruit more young people, enabling them to understand the benefits of recruiting in this way for individuals, organisations and the local community.
- **Step into Health:** NHS Employers-led work will continue with 135 NHS organisations and Armed Forces employment charities to identify and reduce barriers to employment for members of the Armed Forces community, providing advice, guidance and best practice while highlighting the benefits of the NHS as an employer.
- **International recruitment:** NHS Employers will continue to support delivery of responsible and equitable international recruitment by providing employers with best practice support. This will include managing approximately 600 organisations on the Ethical Recruiters List and delivering a pilot for the Talent Beyond Boundaries programme to recruit 40 refugee nurses from Lebanon and Jordan directly to trusts.
- **Making the case:** To bolster the rationale and support for members making the case for tackling inequality as leaders in the NHS, the EDI team will develop evidence to prove the underlying business case of action on this front and the benefits that investment in this space brings to productivity, efficiency and better targeting of NHS resources.
- **NHS interests in trade deals:** Continued work to ensure that NHS interests are represented in the development of new trade deals, advising on the pitfalls and opportunities as trade negotiations proceed.
- **Generating income:** We will support the export of NHS services through brokering of relationships and supporting commercial leads in the UK to develop their service offers.
- **Exporting the NHS:** We will work with the Department for Trade and Business to conduct novel research and resources that support NHS organisations to export internationally.
- **Global health:** We will increase support for NHS organisations working internationally on a non-commercial basis through the convening of the NHS Global Health Forum. The forum provides networking for global health leads with a space to plan and conduct research, and a unified voice for the NHS on the topic of global health partnerships.

#### Securing a sustainably funded health and social care system

- **Capital campaign:** To bolster our campaign to close the funding gap, we will undertake research to articulate a target capital investment level that would deliver the improvement needed for members to deliver the quality and quantity of elective and non-elective care required. This will be central to our influencing work in the run up to the election as manifestos are developed.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

- **Mental Health Economic Collaborative:** We will continue to use our collaborative commissioning partnership to delivery reports on market forces and their impact on mental health services and the economic and social impact of investment of underinvestment in mental health. Evidence from the findings will form part of our case to influence more sustainable funding.
- **Commissioning primary care:** We are planning work to shift the currently perceived 'child-parent' relationship faced by primary care by showcasing the 'art of the possible' and providing space for systems and national organisations to test thinking with local primary care leaders. We also plan to work with ICBs to support primary care commissioning and contracting capability, and work with NHS England to support engagement on 2024/25 primary care contracts.
- **Member input through the finance forum and reference group:** This year we anticipate ongoing energy cost issues, as well as the immediate problem of how to pay for the forthcoming NHS pay deal, so we will use our member fora to rapidly understand and respond to these issues.
- **Influencing the systems payments scheme:** We will work closely with NHS England to represent members' views, influence and support implementation of the new ICS payment pricing scheme to support system objectives, including reducing the backlog, as well as potential 2024/25 amendments.
- **Social outcomes commissioning:** We are partnering with Big Society Capital to look at how an outcomes partnership approach could provide an alternative funding model for investment in longer-term prevention-based services and benefit ICSs' local needs. We will work with interested ICSs to gain access to the advice and support to develop this option, and produce a report and manual for this as a funding route for systems.
- **Delivering productivity:** To bolster our case that the NHS will require sufficient investment to deliver greater productivity and efficiency improvements, we will launch research with the Health Foundation this year to quantify what is required and the return on investment. The aim is to set out an evidenced view of an 'acceptable ask' of the NHS in terms of efficiencies and what investment is required to deliver it. It will also inform our messaging in the run up to the election as manifestos are developed.
- **A roadmap to a sustainable health and care system:** In the absence of a clear central vision of what it will take to put the NHS on a sustainable financial footing, we plan to develop our own vision for a positive future and what it will take to get there, including setting out the required capital funding, economic rational of the 'system mission,' business case for investment and wider asks for a political audience. This is planned as a report and will inform election messaging.
- **Influencing budget discussions in Wales:** Working closely with the CEOs, directors of finance and the NHS Wales Finance Academy, the Welsh NHS Confederation will articulate the key financial challenges that the NHS is facing in the coming years and

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

influence budget discussions in areas such as capital, infrastructure, revenue, resource framework for transformation and innovation, and digital.

- **Best practice:** This year we will continue our successful engagement programme, working with the centre to influence future plans. In addition to continually developing our influencing strategy based on member insight, we plan to support members to develop their practice with a productivity tool based on learning from the system.

#### Wider cross-organisation planned initiatives and considerations

- **NHS ConfedExpo:** A significant amount of work will go into developing and delivering sessions at this year's NHS ConfedExpo conference. This represents work that continues throughout the year and significantly contributes to both delivering and celebrating the work we do, alongside many partners, towards our goals.
- **Reputation campaign:** 2023/24 will be a critical year for shaping the political landscape and priorities, with the anticipation of a general election and manifestos and plans being developed. We want to position the NHS as a central priority for the next government, so we plan to deliver a project, led by comms but aligned to policy, to better understand public perceptions and craft our messaging, and how we present our policy recommendations to best effect. The work will be broader than the immediate political battles, aiming over the medium term to combat unhelpful and false narratives around the service, building on work like our explainer series launched this year.
- **International comparisons:** We will continue this year to support wider policy and influencing objectives with international comparisons across key measures and making connections directly with international counterparts.
- **NHS Confederation consulting offer:** We are working in early 2023/24 on a consulting offer, with an aim to commercialise areas of strength and expertise for the NHS Confederation. The size and scale of the work will depend on the findings of the initial scoping phase of work but could impact the focus of time and energy over the next year. This can also support our wider aim of reorienting our focus towards supporting improvement in the NHS.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

---

### Structure, governance and management

The charity is a company limited by guarantee and was incorporated on 23 January 2002. The charity's latest articles of association and byelaws were adopted at a general meeting of members on 16 June 2021.

The charity has a subsidiary called The NHS Confederation (Services) Company Limited incorporated as a company limited by guarantee (company number: 05252407).

### About us

The NHS Confederation is an independent membership body. Membership is open to any statutory NHS or health and social care service organisation within the UK, and any other health or social care body that is approved by the board of trustees. Our membership is drawn from the full breadth of organisations that oversee, commission and provide healthcare services in England, Wales and Northern Ireland, including acute and community trusts, integrated care systems, mental health trusts, independent providers and statutory NHS bodies in Northern Ireland and Wales. We also represent ambulance trusts through the Association of Ambulance Chief Executives.

The NHS Confederation helps its members commission and deliver high-quality, patient-focused care for the public by enabling them to learn from each other, acting as their public voice and the voice of the whole healthcare system and helping to shape the system in which they operate. We do this by providing strong voices for our members through the different networks and devolved jurisdictions that form the NHS Confederation, including the Mental Health Network, the Primary Care Network, the Integrated Care Systems Network, the Welsh NHS Confederation and the Northern Ireland Confederation for Health and Social Care.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services. We uphold our duty of public benefit by being an outstanding membership organisation that brings together and speaks on behalf of organisations that plan, commission, and provide NHS services in England, Northern Ireland and Wales.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit as outlined here and on page 5.

### Board of trustees

The charity's existing articles of association allow for a board size of no less than three and no more than 15 trustees.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

Following a change to the NHS Confederation's articles and byelaws in June 2021, the board is able to appoint nominated trustees from networks and devolved jurisdictions, and co-opt additional trustees for their skills and experience, provided that the board size does not exceed 15. The trustee nomination and appointment system as set out in the byelaws took effect from July 2022. The changes in June 2021 also confirmed that the trustees are the only members of the charity ("Company Law Members") and any member decision required under company law will be reserved for Company Law Members.

#### **Recruitment of trustees**

During the financial year, we recruited three new trustees to the board. These three new trustees were drawn from networks and arose due to previous trustees ending their terms of office.

#### **Induction of new trustees**

New trustees have induction meetings with the board chair, the CEO, and relevant members of the senior management team. Inductions are tailored as per requirements of the trustees and their prior knowledge or engagement with NHS Confederation prior to appointment. From time to time, lawyers or other advisers are invited to attend board meetings to update trustees on charity governance issues and remind the board of their legal and fiduciary duties.

### **Strategic report**

#### **Trustees**

The following trustees, who are also the directors of the charity for the purpose of company law, served during the year and up to the date the financial statements were signed.

Lord Victor Adebowale, Chair

Sir Andrew Cash, Vice Chair (resigned 28 July 2022)

Jennifer Ruth Poole (resigned 28 July 2022)

Prof Joseph Harrison

Michael Bloomfield

Nanda Ratnavel

Prof. Vivienne Harpwood (Burnet) (resigned 28 July 2022)

Valerie Morton

Marie Gabriel

Dr Pramit Patel

Dame Jackie Daniel

Ifti Majid

Charles David Skinner

Dr Peta Foxall, Senior Independent Trustee

Adam Doyle (appointed 29 July 2022 and resigned 30 March 2023)

Emma Woollett (appointed 1 November 2022)

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Attendance of trustees at NHS Confederation board meetings

The board of trustees formally met on 26 May 2022, 28 July 2022, 29 September 2022, 8 December 2022, and 30 March 2023. The attendance record from formal board meetings is as shown below.

| Name                                       | Attendance |
|--|------------|
| Lord Victor Adebowale, Chair               | 5/5        |
| Sir Andrew Cash, Vice Chair                | 1/2        |
| Jennifer Ruth Poole                        | 2/2        |
| Prof Joseph Harrison                       | 2/5        |
| Michael Bloomfield                         | 3/5        |
| Nanda Ratnavel                             | 4/5        |
| Prof. Vivienne Harpwood                    | 2/2        |
| Valerie Morton                             | 5/5        |
| Marie Gabriel                              | 5/5        |
| Dr Pramit Patel                            | 3/5        |
| Dame Jackie Daniel                         | 2/5        |
| Ifti Majid                                 | 3/5        |
| Charles David Skinner                      | 5/5        |
| Dr Peta Foxall, Senior Independent Trustee | 5/5        |
| Emma Woollett                              | 1/2        |
| Adam Doyle                                 | 2/3        |

#### Scheme of delegation

A scheme of delegation lays out trustees' responsibilities and those delegated to the board's subcommittees, senior management and staff. This, together with a full set of operational policies and procedures, determines the conduct of senior management and other employees.

#### Committees of the board

The board had three sub-committees in 2022/23: the audit and risk committee, the remuneration committee, and the finance and operations committee.

The audit and risk committee is comprised of three trustees and two independent members and is responsible for advising the board on the charity's annual accounts, including compliance with statutory and other legal requirements, the oversight of risk and the associated control structure, and for managing the relationship with internal and external auditors.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Audit and risk committee attendance record

|  |     |
|--|-----|
| Nanda Ratnavel, Chair of Audit and Risk Committee          | 4/4 |
| Michael Bloomfield, Trustee Committee Member               | 3/4 |
| Mark Stevenson, Independent Committee Member               | 3/4 |
| Liz May, Independent Committee Member                      | 3/4 |
| Peta Foxall, Trustee Committee Member (appointed May 2022) | 2/4 |

The remuneration committee is comprised of at least four trustees. It is responsible for determining the executive pay framework and agreeing specific recommendations relating to executive pay; determining the policy for and scope of the annual cost-of-living or performance-related award for all NHS Confederation staff, and ensuring that application of this remuneration policy is equitable, fair and transparent; ensuring that contractual terms on termination and any payments made are fair to the individual and the organisation and that failure is not rewarded; and reviewing remuneration trends across the organisation.

#### Remuneration committee attendance record

|   |     |
|---|-----|
| Valerie Morton, Chair of Remuneration Committee       | 6/6 |
| Prof Joseph Harrison, Trustee Committee Member        | 5/6 |
| Marie Gabriel, Trustee Committee Member               | 5/6 |
| Peta Foxall, Trustee Committee Member (from May 2022) | 5/5 |

The finance and operations committee is comprised of at least three members, the majority of which are trustees. Its remit is to give the board a closer and clearer understanding of the charity's core financial and operational processes, while ensuring the regular review of its financial performance and delivery of infrastructure projects. The committee also advise the board on the charity's investment strategy. To ensure that the work of the finance sub-committees is aligned, the chair of the audit and risk committee is also a member of the finance and operations committee.

#### Finance and operations committee attendance record

|  |     |
|--|-----|
| Nanda Ratnavel, Trustee Committee Member/Chair of Audit & Risk Committee | 4/4 |
| Suneet Kumar, Independent Committee Member                               | 3/4 |
| Charles David Skinner, Chair of Finance and Operations Committee         | 4/4 |

### Network and country boards

In accordance with the existing articles of association and scheme of delegation, the board delegates specific powers to the boards of the networks and countries, which entitles them to manage their own affairs subject to the reasonable requirement of the trustees.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### **Pensions and remuneration package**

The organisation operates three pension schemes.

The organisation operates a Scottish Widows salary exchange defined contribution pension scheme. The organisation contributes 6 per cent with staff contributing a minimum of 3 per cent. For a small number of staff who were in the scheme prior to auto enrolment in 2012, the organisation contributes 9 per cent with staff contributing a minimum of 6 per cent. There are also a range of other benefits available to all employees including flexible working; non-contributory life assurance cover; season ticket loans; childcare vouchers and a cycle-to-work scheme (via a salary sacrifice scheme).

The NHS Confederation (through a direction body agreement) maintains access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Schemes for staff who are recruited from these sectors (or are employed on protected terms) and already contribute to these defined benefit schemes. The organisation contributes 14.38 per cent to the NHS Pension Scheme and 26.6 per cent to 30.3 per cent to the Civil Service Scheme. We currently have 47 staff who are on the NHS Pension Scheme and 5 in the Civil Service Scheme.

#### **Chief executive and director pay**

The remuneration committee is responsible for setting the pay for the chief executive and directors. A framework based on the Korn Ferry job evaluation methodology is used to determine the range of director and chief executive pay and total remuneration is agreed by the remuneration committee.

#### **Related parties**

Dr Pramit Patel's (a trustee) GP partnership, Greystone House Surgery, was recompensed for his time working as chair of the Primary Care Network (up to June 2022) to allow them to backfill his time away from practice business and direct patient care. This was established in accordance with the organisation's trustee remuneration policy where the board of trustees, excluding the trustee in question, must satisfy themselves that the payment is justified and compliant with Charity Commission regulations.

Marie Gabriel, a trustee, is remunerated through monthly payments for her term as chair of the Race and Health Observatory, again in accordance with the trustee remuneration policy.

The NHS Confederation is the sole controller of the trading subsidiary The NHS Confederation (Services) Company Limited, registered company number 05252407. The company exists to provide a range of non-charitable activities on behalf of the NHS Confederation, including:

- organising and delivering the NHS Confederation annual conference and exhibition
- a range of other conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

The directors of the subsidiary company are Charles David Skinner (chair of the subsidiary board and charity trustee), Matthew Taylor (subsidiary board director and CEO of the charity), John O'Brien (subsidiary board director and commercial director of the charity), Nikki Barraclough (subsidiary board director and director of finance and IT at the charity), and Zoe Bedford (non-executive director of the subsidiary). The NHS Confederation has no financial or controlling interest in any other organisation.

Certain costs incurred by the charity are recharged to the subsidiary, reflecting an estimation of their usage. The methodology for this recharge is agreed by both parties as part of the budget-setting process each year.

#### **Trustee remuneration**

In accordance with the articles of association and consent from the Charity Commission, the NHS Confederation chair/ interim chair is remunerated at £50,000 per annum for eight to ten days per month. The senior independent trustee is responsible for liaising with the other trustees to set the annual objectives for the chair and for reviewing performance annually.

As detailed above in related parties, an agreement was in place with Dr Pramit Patel's practice, Greystone House Surgery, to provide recompense for his time spent as chair of the PCN Network (up to June 2022). Marie Gabriel, another trustee, is remunerated for her term as chair of the Race and Health Observatory.

No other trustees received remuneration for their services.

In 2022/23 the total expenses incurred by ten of our trustees in relation to travel, accommodation, and subsistence costs while on NHS Confederation business was £3,133 (2022: £307).

#### **Governance review and Charity Governance Code**

Trustees conducted a governance review that concluded in June 2021 with the adoption of new Articles and Byelaws. In March 2022 trustees formally adopted the Charity Governance Code and have commissioned a board performance review to commence March 2023.

#### **Risk management and board assurance**

The trustees of the NHS Confederation are aware of their responsibilities relating to risk management under the requirements of the Statement of Recommended Practice for Accounting and reporting by Charities (SORP).

The trustees are responsible for considering the strategic risks, which are documented on a risk register that evaluates the residual risk (post-mitigating action) against the risk appetite set by the trustees. The register also contains the board assurance framework, outlining three lines of 'defence' in providing assurance. Trustees revisit and set the risk appetite annually.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

The register and the mitigating actions are reviewed at every meeting of the audit and risk committee to ensure the actions are having the desired impact and that the risk is therefore at an acceptable level. The chief executive attends these meetings to report on corporate risks. At an operational level, operational risks are considered within departments and mitigated against. Trustees have set a clear risk policy, revised in March 2022, which is underpinned by risk management practices across the organisation.

The risk register outlines 13 strategic risks, with the principal risks being summarised as:

| Risk   | Mitigation and assurance  |
|--|---|
| Loss of, or significant reduction in, major contracts                    | Effective relationship and contract management<br>Implementation of commercial and income strategy to develop new income streams<br>Formal contract management meetings<br>Governance and reporting on programmes<br>Regular financial forecasting<br>Governance-level oversight of all key income activity                                   |
| Loss of, or significant reduction in, membership                         | Effective relationship management and member engagement<br>Membership insights and effective renewal management<br>Member engagement<br>Effective CRM to support relationship management and insights<br>Commercial and income strategy<br>Membership internal audit was delivered in last quarter of 2022/23 and provided a positive report. |
| The threat of industrial action on the ability to deliver NHS ConfedExpo | Content panel, clear targets for sponsorship and exhibition are on track<br>Contingency for returning to virtual events<br>Effective marketing plans and relationship management<br>Regular budget reforecasting and monitoring financial performance   |

### Data protection

The NHS Confederation is fully committed to meeting requirements of the Data Protection Act 2018 and the UK General Data Protection Regulation 2021. Mandatory data protection training for staff and trustees is delivered through an e-learning module and staff are encouraged to attend one of the quarterly run virtual training sessions via Teams. Compliance reports on data breaches and subject access requests are provided to the audit committee at each of its meetings.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

---

### Finance review

#### Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the 12-month forward-looking cash flow, and the annual review of the three-year plan. The most recent version of the three-year plan estimated a breakeven position for each year, however for 23/24 financial year, the trustees approved a deficit budget which included several high impact one off projects funded from reserves.

Our membership income remains robust, contract income is stable and commercial income opportunities are budgeted to increase as our conference and event activity increases. The organisation holds healthy level of reserves.

#### Income and expenditure

Income for the year increased by £5.0 million to £22.6 million (2022: £17.6 million) due to increased income across all key income streams (membership, contracts and grants, and commercial income). The Charity does not carry out significant fundraising activities.

Expenditure for the year was £22.1 million (2022: £16.6 million). The increase is due to delivering more events, and costs increasing for membership offer and contract delivery. The operating surplus for the year was £0.1 million (2022: £1.1 million) which includes the investment loss.

#### Reserves policy

The target for free reserves continues to be based on the closure costs for the organisation, the calculation of which is reviewed annually by trustees. The target range for reserves is £7.0 million to £8.6 million. At 31 March 2023, the total funds balance stood at £9.5 million (2022: £9.4 million), with the amount of free reserves (those not represented by fixed assets) standing at £9.3 million (2022: £9.0 million). This is higher than the range stated in our reserves policy. The reserves balance has increased over recent years due to better-than-budgeted financial results. The 2023/24 budget includes spending of £0.6 million from reserves on high impact one-off projects. This high reserves balance needs to be viewed in light of the upcoming financial risk of potential loss of contract income linked to a large contract which ended March 2023. It is likely some reserves will be needed to facilitate a smooth change process in the event that funding is reduced. The reserves target range currently includes this contract risk provision, so this target range will reduce when it is reviewed September 2023. At this point, further consideration will be given as to how best to use any remaining reserves balance to bring it more in line with policy.

#### Investment policy

The trustees determine that the objective of holding the investment portfolio is to secure a balance between income and long-term capital growth, achieving total returns in real terms over a five-to-seven-year timeframe. The portfolio is currently managed by Sarasin and

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

---

Partners LLP, a firm of investment managers, and the funds were moved during the year into the Sarasin Climate Active fund. The finance and operations committee continues to review the investment policy and objectives and performance of the investment portfolio.

As a charity that is closely associated with the NHS and health generally, careful consideration is given to ethical factors in the choice of investments. Where it is felt that an investment conflicts with the charity's objective of promoting better healthcare, no investment will be made. For example, tobacco companies. Similarly, investments will not be made in any companies involved in controversial industries such as armaments, gambling, alcohol, or pornography. Discretion may be exercised where the core business of a company is consistent with our ethical position. For example, a supermarket selling a wide range of products, including tobacco. The investment fund manager will be tasked with providing regular updates to the finance and operations committee on its compliance with the agreed ethical guidelines.

The investment portfolio achieved loss of £0.4 million for 2022/23 in a very volatile market. We invested £1.5 million of surplus cash into the investment portfolio during the year. The investments generated £193,068 of investment income. At the end of this financial year, the investment portfolio was valued at £6.36 million (2022: £5.23 million).

The trustees recognise and accept the risks involved in making investments in order to generate capital growth to protect the funds against inflation, as well as providing a modest income.

#### **Qualifying third party indemnity provisions**

The charitable company has made qualifying third party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

#### **Auditor**

In accordance with the existing articles of association, a resolution proposing that BHP LLP be appointed as auditor of the company, was put to a general meeting of members on 28 July 2022, following a robust tender process. BHP LLP have indicated their willingness to stand for reappointment.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

---

### Statement of disclosure to auditor

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each trustee has taken all the necessary steps to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The trustees' report is prepared under the Charities Act 2011, which also contains all information required in a directors' report by the Companies Act 2006 and the incorporated strategic report prepared under the Companies Act 2006, were approved by the board of trustees on 27<sup>th</sup> July 2023 and signed on their behalf by:

Signed:  .....

Name: Victor Adebowale .....

Trustee

# THE NHS CONFEDERATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

---

The trustees, who are also directors of the NHS Confederation for the purpose of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

### FOR THE YEAR ENDED 31 MARCH 2023

---

We have audited the financial statements of The NHS Confederation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023, which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

FOR THE YEAR ENDED 31 MARCH 2023

---

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

### FOR THE YEAR ENDED 31 MARCH 2023

---

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**THE NHS CONFEDERATION**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE**  
**NHS CONFEDERATION**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*BHP LLP*

BHP LLP (Aug 25, 2023 09:18 GMT+1)

Laura Masheder (Senior statutory auditor)  
for and on behalf of

**BHP LLP**

Statutory Auditor  
Chartered Accountants  
First Floor  
Mayesbrook House  
Lawnswood Business Park  
Leeds  
LS16 6QY

Date: Aug 25, 2023

# THE NHS CONFEDERATION

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

|  | Notes | Unrestricted<br>Funds 2023<br>£ | Restricted<br>Funds 2023<br>£ | Total Funds<br>2023<br>£ | Total Funds<br>2022<br>£ |
|--|-------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income from:</b>  |       |                                 |                               |                          |                          |
| Charitable activities  | 3     | 18,930,907                      | 207,173                       | 19,138,080               | 15,745,486               |
| Other trading activities                                     | 4     | 3,124,615                       | –                             | 3,124,615                | 1,240,465                |
| Investments  | 6     | 321,419                         | –                             | 321,419                  | 143,444                  |
| Exceptional income   | 5     | –                               | –                             | –                        | 500,000                  |
| Other income   |       | –                               | –                             | –                        | 12,288                   |
| <b>Total income</b>  |       | <b>22,376,941</b>               | <b>207,173</b>                | <b>22,584,114</b>        | <b>17,641,683</b>        |
| <b>Expenditure on:</b>                                       |       |                                 |                               |                          |                          |
| Charitable activities  | 7     | 19,514,073                      | 207,173                       | 19,721,246               | 15,396,965               |
| Raising funds  | 9     | 2,391,690                       | –                             | 2,391,690                | 1,180,553                |
| <b>Total expenditure</b>                                     |       | <b>21,905,763</b>               | <b>207,173</b>                | <b>22,112,936</b>        | <b>16,577,518</b>        |
| <b>Net income before other<br/>recognised gains/(losses)</b> |       | <b>471,178</b>                  | <b>–</b>                      | <b>471,178</b>           | <b>1,064,165</b>         |
| Net (losses)/gains on investments                            | 15    | (373,114)                       | –                             | (373,114)                | 66,525                   |
| <b>Net income</b>  |       | <b>98,064</b>                   | <b>–</b>                      | <b>98,064</b>            | <b>1,130,690</b>         |
| <b>Net movement in funds</b>                                 |       | <b>98,064</b>                   | <b>–</b>                      | <b>98,064</b>            | <b>1,130,690</b>         |
| Total funds brought forward                                  |       | 9,442,710                       | –                             | 9,442,710                | 8,312,020                |
| <b>Total funds carried forward</b>                           |       | <b>9,540,774</b>                | <b>–</b>                      | <b>9,540,774</b>         | <b>9,442,710</b>         |

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All income and expenditure derive from continuing activities.

The notes on pages 55-81 form part of these accounts.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in the financial statements.

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

|   | Notes | 2023<br>£        | £                | 2022<br>£        | £                |
|---|-------|------------------|------------------|------------------|------------------|
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 13    |                  | 62,124           |                  | 82,288           |
| Tangible fixed assets                                 | 14    |                  | 167,244          |                  | 313,576          |
| Investments   | 15    |                  | 6,358,929        |                  | 5,227,337        |
|   |       |                  | <u>6,588,297</u> |                  | <u>5,623,201</u> |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 16    | 6,667,597        |                  | 6,449,244        |                  |
| Cash at bank  |       | <u>7,296,169</u> |                  | <u>8,047,312</u> |                  |
|   |       | 13,963,766       |                  | 14,496,556       |                  |
| <b>Creditors: amounts falling due within one year</b> |       |                  |                  |                  |                  |
|   | 17    | (10,863,600)     |                  | (10,537,378)     |                  |
| Net current assets                                    |       |                  | <u>3,100,166</u> |                  | <u>3,959,178</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>9,688,463</u> |                  | <u>9,582,379</u> |
| Provisions for liabilities                            | 18    |                  | (147,689)        |                  | (139,669)        |
| <b>Total net assets</b>                               |       |                  | <u>9,540,774</u> |                  | <u>9,442,710</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 229,368          |                  | 395,864          |                  |
| General unrestricted funds                            |       | 9,311,406        |                  | 9,046,846        |                  |
| <b>Total funds</b>                                    | 21    |                  | <u>9,540,774</u> |                  | <u>9,442,710</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of financial statements.

The notes on pages 55-81 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 27<sup>th</sup> July 2023 and are signed on their behalf.

Signed:  .....

Name: Victor Adebowale .....

Trustee

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CHARITY BALANCE SHEET AS AT 31 MARCH 2023

|   | Notes | 2023             |                  | 2022             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 13    |                  | 62,124           |                  | 82,288           |
| Tangible fixed assets                                 | 14    |                  | 167,244          |                  | 313,576          |
| Investments   | 15    |                  | 6,358,929        |                  | 5,227,337        |
|   |       |                  | <u>6,588,297</u> |                  | <u>5,623,201</u> |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 16    | 5,578,505        |                  | 5,866,455        |                  |
| Cash at bank  |       | <u>5,708,627</u> |                  | <u>6,673,312</u> |                  |
|   |       | 11,287,132       |                  | 12,539,767       |                  |
| <b>Creditors: amounts falling due within one year</b> | 17    | (9,579,737)      |                  | (9,487,147)      |                  |
| Net current assets                                    |       |                  | <u>1,707,395</u> |                  | <u>3,052,620</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>8,295,692</u> |                  | <u>8,675,821</u> |
| Provisions for liabilities                            | 18    |                  | (147,689)        |                  | (139,669)        |
| <b>Total net assets</b>                               |       |                  | <u>8,148,003</u> |                  | <u>8,536,152</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 229,368          |                  | 395,864          |                  |
| General unrestricted funds                            |       | 7,918,635        |                  | 8,140,288        |                  |
| <b>Total funds</b>                                    | 21    |                  | <u>8,148,003</u> |                  | <u>8,536,152</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of financial statements.

The charitable company's gross income for the year was £19,987,478 (2022 - £15,916,073) and result for the year was a net decrease in funds of £388,149 (2022 – net increase of £226,514).

The notes on pages 55-81 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 27<sup>th</sup> July 2023 and are signed on their behalf.

Signed:  .....

Name: Victor Adebawale .....

Trustee

**THE NHS CONFEDERATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

|   | Notes | 2023        |                  | 2022    |                  |
|---|-------|-------------|------------------|---------|------------------|
|   |       | £           | £                | £       | £                |
| <b>Cash flows from operating activities</b>           |       |             |                  |         |                  |
| Cash generated from operations                        | 22    |             | 445,205          |         | 2,608,412        |
| <b>Net cash inflow from operating activities</b>      |       |             | 445,205          |         | 2,608,412        |
| <b>Cash flows from investing activities</b>           |       |             |                  |         |                  |
| Purchase of intangible fixed assets                   |       | –           |                  | (3,380) |                  |
| Purchase of tangible fixed assets                     |       | (13,061)    |                  | –       |                  |
| Purchase of investments                               |       | (6,703,173) |                  | –       |                  |
| Sale of investments                                   |       | 5,198,467   |                  |         |                  |
| Dividends and interest received                       |       | 321,419     |                  | 143,444 |                  |
| <b>Net cash generated from investing activities</b>   |       |             | (1,196,348)      |         | 140,064          |
| <b>Net increase in cash and cash equivalents</b>      |       |             | (751,143)        |         | 2,748,476        |
| <b>Cash and cash equivalents at beginning of year</b> |       |             | 8,047,312        |         | 5,298,836        |
| <b>Cash and cash equivalents at end of year</b>       |       |             | <u>7,296,169</u> |         | <u>8,047,312</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### 1. Accounting policies

#### Charity information

The NHS Confederation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ. The principal activities of the group are noted on page 5.

#### Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value.

#### Parent statement of financial activities

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities as it prepares group accounts and the charitable company's individual balance sheet shows its gross income and result for the year.

#### Reduced disclosures

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charitable company, which are intended to give a true and fair view of the assets, liabilities, financial position, and movement in group funds. The charitable company has therefore taken advantage of exemptions from the following disclosure requirements for charitable company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – exemption from presenting a statement of cash flow and related notes and disclosures for the charitable company.

#### Basis of consolidation

The consolidated financial statements incorporate those of the NHS Confederation and its subsidiary The NHS Confederation (Services) Company Limited (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

### Going concern

The group had a net increase in funds during the year of £ 98,064 (2022: net increase of £1,130,690) At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan, forecast data and a 12-month, forward-looking cash flow. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 22.

### Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable, net of discounts and value added tax.

### Membership subscriptions

Income is all recognised in the first month of the financial year in which it relates to. Our membership period runs in line with our financial year, April to March.

### Contract income

Income is recognised based on delivery under the terms of the contract. Where contracts span more than one year, revenue is recognised based on costs incurred or using a percentage of work delivered, whichever method is deemed more appropriate.

### Investment income

Income is recognised when the right to receive payment is established.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

#### Events, sponsorship, exhibition, and delegate income

Income is recognised at the date of the event.

#### Grant income

Grant income is recognised when the charity has entitlement to the funds and is recorded in accordance with the grant terms.

#### Deferred income

Income invoiced in advance is accounted for as deferred income in the balance sheet and released to the statement of financial activities in the year in which it relates. Deferred income will also arise when work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

#### Government grants

Government grants have been received in the year relating to various projects (see note 10 for more detail). These are recognised in “Income from charitable activities” within income and expenditure in the same period as the related expenditure.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure and the amount can be measured or estimated reliably.

All expenditure is accounted for on an accrual basis and is classified under headings that aggregate all costs related to each category of expenses shown in the statement of financial activities.

Expenditure on charitable activities comprises those costs incurred influencing on behalf of our members, representing NHS organisations on workforce issues, and bringing those organisations and members together to share learning. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, IT, human resources, office accommodation, and governance costs which support the charity programmes and activities. They are allocated based on direct costs of each activity as a percentage of total direct costs.

Expenditure is shown net of VAT but includes any irrecoverable VAT, which is charged against the category of expenses for which it was incurred.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is constructive obligation to make a payment. Where grants are awarded with conditions attached, these must be met before the liability is recognised.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

#### Intangible fixed assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

System development                      20 per cent straight line

Intangible assets are derecognised from the balance sheet on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an intangible asset is recognised in net income/(expenditure) for the year.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Individual assets with a value of less than £2,000 are not capitalised but charged to expenditure in the year of purchase.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Furniture, fixtures, and fittings      40 per cent straight line or over the term of the lease

Computer and other equipment      33 per cent straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value (market value) at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

#### Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### Cash and cash equivalents

Cash and cash equivalents comprise funds held in current and instant access deposit bank accounts.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

#### Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include trade debtors, other debtors, accrued income, amounts due from fellow group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure).

#### Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

#### Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### Basic financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

#### Provision for liabilities

An amount is recognised on the face of the balance sheet for the cost of dilapidations relating to our office space and conference centre. This is worked out based on estimated cost per square footage and the total square footage. The provision is reviewed at each reporting date and adjusted to reflect the current best estimate of the settlement amount. Any adjustments to this provision is recognised in net income/(expenditure) for the year.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### Accounting policies (Continued)

#### Multi-employer plans

The charity participates in two multi-employer pension schemes for its employees, as outlined in note 20. For both schemes there is insufficient information to use defined benefit accounting, they are therefore treated as defined contribution schemes for accounting purposes and the contributions recognised in the period to which they relate.

#### Operating Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

#### Custodian arrangements

The charity acts as custodian for the NI Public Sector Chairs forum and also as custodian for the Developing Medical Excellence in Education conference (event date December 2023). Related receipts and subsequent payments are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included in other creditors.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### 2. Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Revenue recognition

Revenue received during the year for contracts is recognised based on the contract price (net of VAT) and on agreement with the customer that the services have been provided in line with the specification. Where contracts are part completed at the year-end date, revenue is recognised by measuring costs incurred to date and with reference to progress against contract deliverables. In this instance, deferred income arises on agreement with the customer that work may be delivered in the following year.

#### Key sources of estimation uncertainty

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Impairment of debtors

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the trustees consider factors including the ageing profile of the debtor. See note 16 for the net carrying amount of the debtors.

#### Useful economic lives of intangible and tangible assets

The annual amortisation charge for intangible assets and the annual depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See notes 13 and 14 for the carrying amount of the intangible and tangible fixed assets and note 1 for the useful economic lives for each class of assets.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**3. Income from charitable activities**

|                           | <b>2023</b>       | <b>2022</b>       |
|---------------------------|-------------------|-------------------|
|                           | <b>£</b>          | <b>£</b>          |
| Membership subscriptions  | 4,521,688         | 3,220,555         |
| Contract delivery         | 13,168,454        | 11,614,371        |
| Grant income              | 207,173           | 193,230           |
| Conference centre income  | 649,880           | 307,779           |
| Training and other income | 590,885           | 409,551           |
|                           | <u>19,138,080</u> | <u>15,745,486</u> |

Grant income of £207,173 (2022: £193,230) is classed as restricted income in this financial year. All other income from charitable activities is classed as unrestricted income in both years.

**4. Income from other trading activities**

|                                 | <b>2023</b>      | <b>2022</b>      |
|---------------------------------|------------------|------------------|
|                                 | <b>£</b>         | <b>£</b>         |
| Publications and AV             | 8,125            | 11,163           |
| Membership subscriptions        | 121,396          | 61,413           |
| Events and partnerships         | 2,956,148        | 1,167,889        |
| Sub-let of surplus office space | 19,025           | –                |
| Other trading income            | 19,921           | –                |
|                                 | <u>3,124,615</u> | <u>1,240,465</u> |

All income from trading activities is classed as unrestricted income in both years.

**5. Exceptional income**

For the prior year 2022, an amount of £500,000 has been disclosed on the face of the Statement of Financial Activities, relating to the sale of a company in which the NHS Confederation (Services) Company Limited held a financial interest.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 6. Investment income

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| Income from listed investments | 193,068        | 143,444        |
| Bank interest receivable       | 128,351        | –              |
|                                | <u>321,419</u> | <u>143,444</u> |

All investment income is classed as unrestricted in both years.

### 7. Expenditure on charitable activities

#### 2023

|                             | Direct costs<br>£ | Support costs<br>£ | Total 2023<br>£   | Total 2022<br>£   |
|-----------------------------|-------------------|--------------------|-------------------|-------------------|
| Membership subscriptions    | 4,692,117         | 913,956            | 5,606,073         | 3,015,334         |
| Events and partnerships     | 1,085             | 211                | 1,296             | 52,984            |
| Contract delivery           | 11,116,847        | 2,165,400          | 13,282,247        | 11,525,579        |
| Grants                      | 207,173           | –                  | 207,173           | 193,230           |
| Conference centre           | 293,442           | 57,158             | 350,600           | 505,348           |
| Training and other activity | 229,210           | 44,647             | 273,857           | 104,490           |
|                             | <u>16,539,874</u> | <u>3,181,372</u>   | <u>19,721,246</u> | <u>15,396,965</u> |

#### 2022

|                             | Direct costs<br>£ | Support costs<br>£ | Total 2022<br>£   | Total 2021<br>£   |
|-----------------------------|-------------------|--------------------|-------------------|-------------------|
| Membership subscriptions    | 2,497,317         | 518,017            | 3,015,334         | 3,680,807         |
| Events and partnerships     | 43,882            | 9,102              | 52,984            | 185,786           |
| Contract delivery           | 9,545,550         | 1,980,029          | 11,525,579        | 9,698,546         |
| Grants                      | 193,230           | –                  | 193,230           | 139,943           |
| Conference centre           | 418,532           | 86,816             | 505,348           | 359,502           |
| Training and other activity | 86,539            | 17,951             | 104,490           | –                 |
| Digital expenditure         | –                 | –                  | –                 | 115,189           |
|                             | <u>12,785,050</u> | <u>2,611,915</u>   | <u>15,396,965</u> | <u>14,179,773</u> |

Expenditure of £207,173 (2022: £193,230) is classed as restricted in the year. All other expenditure on charitable activities is classed as unrestricted expenditure in both years.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**8. Support costs**

|                        | <b>2023</b>      | <b>2022</b>      |
|------------------------|------------------|------------------|
|                        | <b>£</b>         | <b>£</b>         |
| Management             | 295,235          | 489,336          |
| Governance costs       | 321,904          | 213,076          |
| Finance                | 456,418          | 327,100          |
| Information technology | 755,757          | 345,629          |
| Human resources        | 468,632          | 410,969          |
| Accommodation          | 883,426          | 825,805          |
|                        | <u>3,181,372</u> | <u>2,611,915</u> |

Support costs are allocated based on direct costs of each activity as a percentage of total direct costs.

**9. Expenditure on raising funds**

|                               | <b>2023</b>      | <b>2022</b>      |
|-------------------------------|------------------|------------------|
|                               | <b>£</b>         | <b>£</b>         |
| Membership subscriptions      | 15,012           | 749              |
| Publications and AV           | 813              | 3,390            |
| Events and partnerships       | 2,064,175        | 1,008,701        |
| Other administrative expenses | 311,690          | 167,713          |
|                               | <u>2,391,690</u> | <u>1,180,553</u> |

All expenditure on trading activities is classed as unrestricted expenditure in both years.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**10. Net movement in funds**

|  | 2023    | 2022    |
|--|---------|---------|
|  | £       | £       |
| Net movement in funds is stated after recognising  |         |         |
| Fees payable to the company's auditor and its associates in respect of both audit and non-audit services are as follows: |         |         |
| - Audit  | 41,107  | 52,017  |
| - Other non-audit services (tax advisory services)   | 1,784   | 10,596  |
| Depreciation of owned tangible fixed assets  | 159,393 | 166,558 |
| Amortisation of intangible fixed assets  | 20,164  | 18,530  |
| Operating lease charges  | 558,172 | 570,244 |
| Government grant income  | 63,583  | 12,288  |

The government grant income above for 2023 is made up of £29,249 from Sitra, the Finnish Innovation Fund, for the project Joint Action Towards the European Health Data Space, which develops European principles for the secondary use of health data. The other £34,334 comprises grants from Leeds City Council towards the running of our conference centre room hire, being COVID-19 recovery grants and Digital Growth grant.

For 2022, the value relates to money claimed through the Coronavirus Job Retention Scheme.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### 11. Trustees

During the year, the NHS Confederation chair Victor Adebowale was remunerated £50,000 (2022: £50,000) in accordance with the articles of association and the permission granted by the Charity Commission. Greystone House Surgery was paid £1,850 (2022: £5,850) for backfill for the time of one of their partners, Pramit Patel, a trustee, for their work as chair of the Primary Care Network, up until June 2022. Marie Gabriel, a trustee, was remunerated £20,000 (2022: £20,000) for their work as chair of the Race and Health Observatory.

Expenses incurred on behalf of the charitable company and reimbursed to ten trustees (2022: three trustees) or paid directly to third parties during the year amounted to £3,133 (2022: £307), relating to travel, accommodation and subsistence costs.

No pension contributions were made on behalf of any of the trustees.

### 12. Employees

#### Number of employees

The average monthly number of employees during the year was:

| 2023<br>Number | 2022<br>Number |
|----------------|----------------|
| 245            | 210            |

#### Employment costs

|                       | 2023<br>£         | 2022<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 11,341,043        | 9,481,469         |
| Social security costs | 1,270,764         | 991,338           |
| Pension costs         | 926,247           | 798,375           |
|                       | <u>13,538,054</u> | <u>11,271,182</u> |

In addition, total expenditure includes seconded and agency staff of £354,451 (2022: £304,726).

During the year, termination payments were paid to one employee (2022: two employees) totalling to £6,550 (2022: £120,000).

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**12. Employees (Continued)**

The number of employees whose annual remuneration was £60,000 or more were:

|                   | <b>2023</b>   | <b>2022</b>   |
|-------------------|---------------|---------------|
|                   | <b>Number</b> | <b>Number</b> |
| £190,000-£199,999 | 1             | –             |
| £180,000-£189,999 | –             | –             |
| £170,000-£179,999 | 1             | –             |
| £160,000-£169,999 | –             | 2             |
| £150,000-£159,999 | –             | –             |
| £140,000-£149,999 | 2             | –             |
| £130,000-£139,999 | 2             | 2             |
| £120,000-£129,999 | –             | 2             |
| £110,000-£119,999 | 2             | 1             |
| £100,000-£109,999 | 4             | 2             |
| £90,000-£99,999   | 3             | 3             |
| £80,000-£89,999   | 6             | 4             |
| £70,000-£79,999   | 13            | 6             |
| £60,000-£69,999   | 18            | 16            |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### 13. Intangible fixed assets

#### Group and charity

|                              | <b>System<br/>Development<br/>£</b> | <b>Total<br/>£</b> |
|------------------------------|-------------------------------------|--------------------|
| <b>Cost</b>                  |                                     |                    |
| At 1 April 2022              | 100,818                             | 100,818            |
| Additions                    | –                                   | –                  |
| Disposals                    | –                                   | –                  |
| At 31 March 2023             | <u>100,818</u>                      | <u>100,818</u>     |
| <b>Amortisation</b>          |                                     |                    |
| At 1 April 2022              | 18,530                              | 18,530             |
| Amortisation charged in year | <u>20,164</u>                       | <u>20,164</u>      |
| At 31 March 2023             | <u>38,694</u>                       | <u>38,694</u>      |
| <b>Carrying amount</b>       |                                     |                    |
| At 31 March 2023             | <u>62,124</u>                       | <u>62,124</u>      |
| At 31 March 2022             | <u>82,288</u>                       | <u>82,288</u>      |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**14. Tangible fixed assets**

**Group and charity**

|                              | <b>Furniture,<br/>fixtures and<br/>fittings<br/>£</b> | <b>Computer<br/>and other<br/>equipment<br/>£</b> | <b>Total<br/>£</b> |
|------------------------------|---|---|--------------------|
| <b>Cost</b>                  |   |   |                    |
| At 1 April 2022              | 743,530   | 14,037  | 757,567            |
| Additions                    | 13,061  | –   | 13,061             |
| Disposals                    | –   | –   | –                  |
| At 31 March 2023             | <u>756,591</u>  | <u>14,037</u>                                     | <u>770,628</u>     |
| <b>Depreciation</b>          |   |   |                    |
| At 1 April 2022              | 429,954   | 14,037  | 443,991            |
| Depreciation charged in year | 159,393   | –   | 159,393            |
| Eliminated on disposal       | –   | –   | –                  |
| At 31 March 2023             | <u>589,347</u>  | <u>14,037</u>                                     | <u>603,384</u>     |
| <b>Carrying amount</b>       |   |   |                    |
| At 31 March 2023             | <u>167,244</u>  | <u>–</u>  | <u>167,244</u>     |
| At 31 March 2022             | <u>313,576</u>  | <u>–</u>  | <u>313,576</u>     |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**15. Investments**

| <b>Group and charity</b>            | <b>Listed investments</b> |                  |
|-------------------------------------|---------------------------|------------------|
|                                     | <b>£</b>                  |                  |
| <b>Cost or valuation</b>            |                           |                  |
| At 1 April 2022                     |                           | 5,227,337        |
| Purchases in year                   |                           | 6,703,173        |
| Disposals in year                   |                           | (5,198,467)      |
| Valuation changes                   |                           | (373,114)        |
| At 31 March 2023                    |                           | <u>6,358,929</u> |
| <b>Carrying amount</b>              |                           |                  |
| At 31 March 2023                    |                           | <u>6,358,929</u> |
| At 1 April 2022                     |                           | <u>5,227,337</u> |
|                                     | <b>2023</b>               | <b>2022</b>      |
|                                     | <b>£</b>                  | <b>£</b>         |
| Investments at fair value comprise: |                           |                  |
| Fixed income                        | 963,891                   | 641,832          |
| Equities                            | 4,235,726                 | 3,395,591        |
| Property                            | 264,125                   | 262,804          |
| Alternative investments             | 779,171                   | 674,851          |
| Liquid assets                       | 116,016                   | 252,259          |
|                                     | <u>6,358,929</u>          | <u>5,227,337</u> |

**Fixed asset investments revalued**

At 31 March 2023, the historical cost of investments was £6,202,257 (2022: £3,200,000) with net gains of £156,672 (2022: £2,027,337).

Valuations are based on bid price at the close of business on the valuation date. Investments are included at their fair value as at the year-end date.

The charity is the single corporate member of The NHS Confederation (Services) Limited, a company limited by guarantee. The results and net assets of this company are disclosed in note 26 of these financial statements.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 16. Debtors

|  | Group            |                  | Charity          |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2023             | 2022             | 2023             | 2022             |
| Amounts falling due within one year:                 | £                | £                | £                | £                |
| Trade debtors  | 5,606,736        | 5,853,718        | 5,070,796        | 5,247,918        |
| Amounts due from fellow group undertakings           | –                | –                | 188,575          | 384,809          |
| Other debtors  | 2,709            | 4,136            | 2,709            | 4,136            |
| Prepayments and accrued income                       | 984,634          | 483,282          | 309,444          | 221,289          |
|  | <u>6,594,079</u> | <u>6,341,136</u> | <u>5,571,524</u> | <u>5,858,152</u> |
| <b>Amounts falling due after more than one year:</b> |                  |                  |                  |                  |
| Prepayments and accrued income                       | 73,518           | 108,108          | 6,981            | 8,303            |
|  | <u>73,518</u>    | <u>108,108</u>   | <u>6,981</u>     | <u>8,303</u>     |
| <b>Total debtors</b>                                 | <u>6,667,597</u> | <u>6,449,244</u> | <u>5,578,505</u> | <u>5,866,455</u> |

### 17. Creditors: amounts falling due within one year

|                                    | Group             |                   | Charity          |                  |
|------------------------------------|-------------------|-------------------|------------------|------------------|
|                                    | 2023              | 2022              | 2023             | 2022             |
|                                    | £                 | £                 | £                | £                |
| Trade creditors                    | 750,907           | 586,237           | 739,392          | 393,696          |
| Other taxation and social security | 556,362           | 1,085,673         | 556,362          | 1,085,673        |
| Other creditors and accruals       | 1,255,662         | 860,826           | 1,148,339        | 855,594          |
| Deferred income (note 19)          | 8,300,669         | 8,004,642         | 7,135,644        | 7,152,184        |
|                                    | <u>10,863,600</u> | <u>10,537,378</u> | <u>9,579,737</u> | <u>9,487,147</u> |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**18. Provisions for liabilities**

|                                       | <b>Conference<br/>Centre</b> | <b>Leeds Office</b> | <b>London Office</b> | <b>Cardiff Office</b> | <b>Total</b>   |
|---------------------------------------|------------------------------|---------------------|----------------------|-----------------------|----------------|
| Opening provision as at 1 April 2022  | 97,880                       | 10,000              | 10,000               | 21,789                | 139,669        |
| Movement in year                      | (37,980)                     | 20,000              | 26,000               | –                     | 8,020          |
| Closing provision as at 31 March 2023 | <u>59,900</u>                | <u>30,000</u>       | <u>36,000</u>        | <u>21,789</u>         | <u>147,689</u> |

The dilapidation provision relates to the expected cost payable on vacating our office spaces and conference centre. All leases have a break clause falling in the 2024/25 financial year. Provisions have not been discounted as the impact would be immaterial to the financial statements.

**19. Deferred income**

Deferred income comprises both income invoiced in advance and instances where work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

|   | <b>Group<br/>£</b> | <b>Charity<br/>£</b> |
|---|--------------------|----------------------|
| At 1 April 2022                                     | 8,004,642          | 7,152,184            |
| Amount released to Statement of Financial Activites | (8,872,632)        | (7,936,810)          |
| Amount deferred in year                             | 9,168,659          | 7,920,270            |
| At 31 March 2023                                    | <u>8,300,669</u>   | <u>7,135,644</u>     |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**20. Retirement benefits**

The organisation contributes to a number of pension schemes.

The NHS Confederation is able to maintain access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Scheme for staff who are recruited from these sectors and already contribute to these schemes. Both of these schemes are unfunded schemes backed by the exchequer; accordingly these schemes are accounted for as defined contribution schemes in accordance with FRS 102.

The organisation makes a contribution of either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme (Scottish Widows) for all employees unless they opt out.

Contributions amounting to £140,518 (2022: £112,635) were payable to the schemes at 31 March 2023 and are included within other creditors and accruals.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 21. Unrestricted funds

| Group                                | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2023<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2022<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ |                                     |
| Funds represented<br>by fixed assets | 395,864                            | (166,495)  | –   | –   | 229,369                             |
| General unrestricted<br>funds        | 9,046,846                          | –  | 637,671   | (373,114)                                 | 9,311,403                           |
|                                      | <u>9,442,710</u>                   | <u>(166,495)</u>   | <u>637,671</u>  | <u>(373,114)</u>                          | <u>9,540,772</u>                    |

| Group                                | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2022<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2021<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>(losses)<br>£ |                                     |
| Funds represented<br>by fixed assets | 577,572                            | (181,708)  | –   | –   | 395,864                             |
| General unrestricted<br>funds        | 7,734,448                          | –  | 1,245,873   | 66,525                                    | 9,046,846                           |
|                                      | <u>8,312,020</u>                   | <u>(181,708)</u>   | <u>1,245,873</u>                                      | <u>66,525</u>                             | <u>9,442,710</u>                    |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**21. Unrestricted funds (Continued)**

**Charity**

|                                   | <b>Movement in funds</b>                     |   |  |   | <b>Balance at<br/>31 March<br/>2023<br/>£</b> |
|-----------------------------------|--|---|--|---|---|
|                                   | <b>Balance at<br/>1 April<br/>2022<br/>£</b> | <b>Movement in<br/>tangible and<br/>intangible<br/>fixed assets<br/>£</b> | <b>Other<br/>charitable<br/>income and<br/>expenditure<br/>£</b> | <b>Revaluation<br/>gains and<br/>(losses)<br/>£</b> |   |
| Funds represented by fixed assets | 395,864                                      | (166,495)   | –  | –   | 229,369                                       |
| General unrestricted funds        | 8,140,288                                    | –   | 151,460  | (373,114)   | 7,918,634                                     |
|                                   | <u>8,536,152</u>                             | <u>(166,495)</u>  | <u>151,460</u>   | <u>(373,114)</u>                                    | <u>8,148,003</u>                              |

|                                   | <b>Movement in funds</b>                     |   |  |   | <b>Balance at<br/>31 March<br/>2022<br/>£</b> |
|-----------------------------------|--|---|--|---|---|
|                                   | <b>Balance at<br/>1 April<br/>2021<br/>£</b> | <b>Movement in<br/>tangible and<br/>intangible<br/>fixed assets<br/>£</b> | <b>Other<br/>charitable<br/>income and<br/>expenditure<br/>£</b> | <b>Revaluation<br/>gains and<br/>(losses)<br/>£</b> |   |
| Funds represented by fixed assets | 577,572                                      | (181,708)   | –  | –   | 395,864                                       |
| General unrestricted funds        | 7,732,066                                    | –   | 341,697  | 66,525  | 8,140,288                                     |
|                                   | <u>8,309,638</u>                             | <u>(181,708)</u>  | <u>341,697</u>   | <u>66,525</u>                                       | <u>8,536,152</u>                              |

**22. Restricted funds**

Income of £207,173 relating to restricted funds was received during the year ended 31 March 2023 but had all been spent by the year-end date, meaning balance on restricted funds at this date was £nil (2022: £nil). Restricted funds related to grants received for a specific purpose, being the enablement of young people into jobs in the NHS (The Prince's Trust) and funding for the EU Joint Action project (Wellcome Trust).

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**23. Cash generated from operations**

|   | <b>2023</b>    | <b>2022</b>      |
|---|----------------|------------------|
|   | <b>£</b>       | <b>£</b>         |
| Surplus for the year  | 98,064         | 1,130,691        |
| Adjustments for:  |                |                  |
| Investment income recognised in statement of financial activities | (321,419)      | (143,444)        |
| Fair value gains/(losses) on investments                          | 373,114        | (66,525)         |
| Depreciation of tangible fixed assets                             | 159,393        | 166,558          |
| Amortisation of intangible fixed assets                           | 20,164         | 18,530           |
| Movements in working capital                                      |                |                  |
| (Increase)/decrease in debtors                                    | (218,353)      | (2,780,286)      |
| Increase in creditors   | 334,242        | 4,282,888        |
| Cash generated from operations                                    | <u>445,205</u> | <u>2,608,412</u> |

**24. Operating leases**

At the reporting end date, the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | <b>2023</b>    | <b>2022</b>      |
|----------------------------|----------------|------------------|
|                            | <b>£</b>       | <b>£</b>         |
| Within one year            | 540,222        | 532,830          |
| Between one and five years | 456,619        | 606,311          |
|                            | <u>996,841</u> | <u>1,139,141</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

## 25. Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel, being the senior executive team listed on pages 3 and 4, is as follows:

|                        | 2023<br>£        | 2022<br>£        |
|------------------------|------------------|------------------|
| Aggregate compensation | <u>2,144,402</u> | <u>1,877,922</u> |

During the year, the group had the following related party transactions due to a trustee or opted committee member (or close relation of) being on the board or an employee of another organisation.

| 2023                                     |   | Charity<br>Income<br>£ | Charity<br>Expense<br>£ | Subsidiary<br>Income<br>£ | Charity<br>Debtor<br>£ | Subsidiary<br>Debtor<br>£ |
|--|---|------------------------|-------------------------|---------------------------|------------------------|---------------------------|
| <b>Related Party</b>                     | <b>Description of Relationship</b>        |                        |                         |                           |                        |                           |
| Alliance for Better Care                 | Trustee is Chair                          | 9,090                  |                         | –                         | 4,590                  | –                         |
| Derbyshire Healthcare NHS FT             | Trustee is CEO                            | 10,950                 | –                       | 1,075                     | 10,950                 | 1,290                     |
| Eli Lilly and Company Ltd                | Spouse of Director is Key Account Manager | –                      | –                       | 30,000                    | –                      | –                         |
| Milton Keynes University Hospital NHS FT | Trustee is CEO                            | 9,450                  | –                       | –                         | 9,450                  | –                         |
| Newcastle Upon Tyne Hospital NHS FT      | Trustee is CEO                            | 20,400                 | –                       | -3,605                    | –                      | –                         |
| NHS Charities Together                   | Deputy CEO is Trustee of                  | –                      |                         | 2,650                     | –                      | –                         |
| NHS North East London ICB                | Trustee is Chair                          | 44,600                 |                         | –                         | –                      | –                         |
| NHS Surrey Heartlands CCG                | Trustee is PCN Leader                     | 38,500                 | –                       | –                         | –                      | –                         |
| NHS Sussex ICB                           | Trustee is CEO                            | 39,700                 |                         | 200                       | 39,700                 | 240                       |
| Northern Ireland Ambulance Service       | Trustee is CEO                            | 8,372                  | –                       | 4,165                     | –                      | –                         |
| Office for Life Sciences                 | Spouse of Director is Director            | 16,172                 | –                       | –                         | 19,406                 | –                         |
| Powys Teaching Health Board              | Trustee (resigned Jul 22) is Chair        | 35,670                 | –                       | 1,000                     | 35,670                 | –                         |
| Priory Healthcare                        | Spouse of Trustee is MD                   | 13,528                 | –                       | –                         | 13,528                 | –                         |
| Royal Devon University Healthcare NHS FT | Trustee is Governor                       | 14,920                 | –                       | 325                       | 14,150                 | 516                       |
| Swansea Bay University Health Board      | Trustee is Chair                          | 65,420                 | –                       | 1,000                     | 65,420                 | –                         |
| ZPB Associates                           | Trustee is Director & CEO                 | –                      | –                       | 950                       | –                      | 1,140                     |
| Greystone House Surgery                  | Trustee is Partner                        | –                      | 7,800                   | –                         | –                      | –                         |
| Nuffield Health                          | Trustee is Board Member                   | –                      | 20,196                  | –                         | –                      | –                         |
| Responsible Leadership Foundation Limite | Spouse of CEO is Senior Director          | –                      | 97,430                  | 750                       | –                      | –                         |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 25. Related party transactions (Continued)

| 2022  |                                     | Charity<br>Income | Charity<br>Expense | Subsidiary<br>Income | Charity<br>Debtor | Subsidiary<br>Debtor | Charity<br>Creditor |
|---|-------------------------------------|-------------------|--------------------|----------------------|-------------------|----------------------|---------------------|
| Related Party                               | Description of<br>Relationship      | £                 | £                  | £                    | £                 | £                    | £                   |
| Allocate Software Limited                   | Trustee is Senior<br>Advisor        | –                 | –                  | 23,500               | –                 | –                    | –                   |
| Derbyshire Community Health<br>Services FT  | Trustee is Chair                    | 8,000             | –                  | –                    | –                 | –                    | –                   |
| Derbyshire Healthcare NHS FT                | Trustee is CEO                      | 10,726            | –                  | 184                  | –                 | –                    | –                   |
| Milton Keynes Hospital NHS FT               | Trustee is CEO                      | 9,200             | –                  | –                    | –                 | –                    | –                   |
| Newcastle Upon Tyne Hospitals<br>NHS FT     | Trustee is CEO                      | 19,500            | –                  | 11,200               | –                 | –                    | –                   |
| Newton Europe Ltd                           | Trustee is Senior<br>Advisor        | –                 | –                  | 36,300               | –                 | –                    | –                   |
| NHS Surrey Heartlands CCG                   | Trustee is PCN<br>Leader            | 220,100           | –                  | –                    | –                 | –                    | –                   |
| Northern Ireland Ambulance<br>Service       | Trustee is CEO                      | 5,008             | –                  | 1,087                | –                 | –                    | –                   |
| NHS Charities Together                      | Trustee is Trustee of               | –                 | –                  | 250                  | –                 | –                    | –                   |
| Norfolk and Suffolk NHS<br>Foundation Trust | Trustee is Chair                    | 12,210            | –                  | –                    | –                 | –                    | –                   |
| Royal Devon University<br>Healthcare NHS FT | Trustee is Governor                 | 8,600             | –                  | –                    | –                 | –                    | –                   |
| Nuffield Health                             | Chair is Non-Exec<br>Director       | 7,368             | –                  | –                    | –                 | –                    | –                   |
| Powys Teaching Health Board                 | Trustee is Chair                    | 35,670            | –                  | 500                  | –                 | –                    | –                   |
| Priory Healthcare                           | Spouse of Trustee is<br>MD          | 8,528             | –                  | –                    | –                 | –                    | –                   |
| Responsible Leadership<br>Foundation Limite | Spouse of CEO is<br>Senior Director | –                 | 8,000              | –                    | –                 | –                    | –                   |
| Rotherham Doncaster & South<br>Humber MHNHS | Spouse of Trustee is<br>CEO         | 10,824            | –                  | –                    | –                 | –                    | –                   |
| Tavistock & Portman NHS<br>Foundation Trust | Trustee is CEO                      | 9,368             | –                  | –                    | –                 | –                    | –                   |
| Welsh Health Specialised<br>Services Commit | Trustee is Chair                    | –                 | –                  | 500                  | –                 | –                    | –                   |
| Yorkshire & Humber AHSN                     | Trustee is Non-Exec<br>Director     | 56,230            | –                  | –                    | –                 | –                    | –                   |
| Whitehill Surgery                           | Trustee is Partner                  | –                 | 25,950             | –                    | –                 | –                    | –                   |
| Greystone House Surgery                     | Trustee is Partner                  | –                 | 5,850              | –                    | –                 | –                    | 5,850               |

In 2023, NHS Confederation (Services) Company Limited, gift aided profits of £559,347 (2022: £nil) up to the parent company.

There are no other related party transactions to disclose.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 26. Results and net assets of the subsidiary

The wholly owned trading subsidiary, The NHS Confederation (Services) Company Limited (company number 05252407) is incorporated in England and Wales and has a registered office address of 2nd Floor, 18 Smith Square, London, SW1P 3HZ. The subsidiary provides a range of non-charitable activities on behalf of the NHS Confederation.

The summary financial performance of the subsidiary alone is:

|  | <b>2023</b>      | <b>2022</b>    |
|--|------------------|----------------|
|  | <b>£</b>         | <b>£</b>       |
| Turnover   | 3,156,240        | 1,232,125      |
| Cost of sales                                      | (1,836,737)      | (660,236)      |
| Gross profit/(loss)                                | <u>1,319,503</u> | <u>571,889</u> |
| Administrative expenses                            | (273,943)        | (167,713)      |
| Other operating income                             | –                | –              |
| Other exceptional operating income                 |                  | 500,000        |
| Profit/(loss) before taxation                      | <u>1,045,560</u> | <u>904,176</u> |
| Tax  | –                | –              |
| Profit/(loss) for the financial year               | <u>1,045,560</u> | <u>904,176</u> |
| The assets and liabilities of the subsidiary were: |                  |                |
| Current assets                                     | 2,865,209        | 2,341,598      |
| Current liabilities                                | (1,472,438)      | (1,435,040)    |
| Total net assets                                   | <u>1,392,771</u> | <u>906,558</u> |
| Aggregate capital and reserves                     | <u>1,392,771</u> | <u>906,558</u> |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

### **27. Custodian arrangements**

The charity acts as custodian for the NI Public Sectors Chairs forum. In the financial year ended 31 March 2023, the charity received £41,003 (2022: £28,785) and disbursed £42,705 (2022: £26,571) in its role as custodian. An amount of £34,428 (2022: £35,731) is included in other creditors relating to unrestricted funds held as custodian at 31 March 2023.

The trading subsidiary, The NHS Confederation (Services) Company Limited, has agreed to act as custodian for the Developing Excellence in Medical Education conference, due to be held in December 2023. The subsidiary will hold all funds and administer payments on behalf of the organisers of the event (no payments have yet been made). An amount of £80,251 (2022: £nil) is included in other creditors relating to unrestricted funds held as custodian as at 31 March 2023.

### **28. Post balance sheet events**

The contract with NHS England & Improvement, which ended 31<sup>st</sup> March 2023, is currently being renegotiated.

**THE NHS CONFEDERATION**

England & Wales - Charity number 1090329

---

# Accounts

---

**Charity Registration No. 1090329**  
**Company Registration No. 04358614 (England and Wales)**

**THE NHS CONFEDERATION  
TRUSTEES' ANNUAL REPORT  
AND ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2022**

**THE NHS CONFEDERATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

|                   |   |
|-------------------|---|
| Trustees          | Lord Victor Adebawale<br>Sir Andrew Cash<br>Jennifer Ruth Poole<br>Prof Joseph Harrison<br>Michael Bloomfield<br>Nanda Ratnavel<br>Prof Vivienne Harpwood (Burnet)<br>Marie Gabriel<br>Valerie Morton<br>Dr Pramit Patel<br>Ifti Majid<br>Dame Jackie Daniel<br>David Skinner<br>Dr Peta Foxall |
| Charity number    | 1090329   |
| Company number    | 04358614  |
| Registered office | 2nd Floor<br>18 Smith Square<br>London<br>SW1P 3HZ  |
| Auditor           | RSM UK Audit LLP<br>Chartered Accountants<br>Central Square<br>5th Floor<br>29 Wellington Street<br>Leeds<br>LS1 4DL  |
| Banker            | Barclays Bank Plc.<br>1 Churchill Place<br>London<br>E14 5HP  |
| Solicitors        | Capsticks LLP<br>1 St George's Road<br>Wimbledon<br>London<br>SW194DR   |

**THE NHS CONFEDERATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

|                        |   |
|------------------------|---|
|                        | Bates Wells (for governance legal advice)<br>10 Queen Street Place<br>London<br>EC4R 1BE  |
| Investment adviser     | Sarasin and Partners LLP<br>Juxon House<br>100 St Paul's Churchyard<br>London<br>EC4M 8BU   |
| Senior Executive Staff | Matthew Taylor<br>Chief Executive, NHS Confederation (appointed 7<br>June 2021)<br><br>Danny Mortimer<br>Deputy Chief Executive, NHS Confederation/Chief<br>Executive NHS Employers (Interim Chief<br>Executive NHS Confederation, from 1 October<br>2020 to 7 June 2021)<br><br>Daniel Reynolds<br>Director of Communications<br><br>Darren Hughes<br>Director Welsh NHS Confederation<br><br>Heather Moorhead<br>Director Northern Ireland Confederation for Health<br>and Social Care<br><br>Joan Saddler<br>Director of Partnerships and Equality<br><br>John O'Brien<br>Commercial Director<br><br>Layla McCay<br>Director of Policy<br><br>Louise Patten<br>Chief Executive, NHS Clinical Commissioners |

**THE NHS CONFEDERATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

Marie Pritchard  
Director of People and Governance

Nikki Barraclough  
Director of Finance and IT (from 1 August 2021)

Paul Davies  
Interim Director of Finance and IT (from 2 July  
2020 to 31 July 2021)

Rory Deighton  
Senior Programme Lead, Acute Network

Ruth Rankine  
Director of Primary Care

Sean Duggan Chief Executive, Mental Health  
Network

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

The trustees present their report and financial statements for the year ended 31 March 2022.

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2022. The financial statements have been prepared in accordance with the Charities Act 2011, Companies Act 2006, the organisation's articles of association and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **About us**

The NHS Confederation is the membership organisation that brings together, supports and speaks for the whole healthcare system in England, Wales and Northern Ireland.

The members we represent employ over 1.5 million staff, care for more than 1 million patients a day and control £150 billion of public expenditure.

We promote collaboration and partnership working as the key to improving population health, delivering high-quality care and reducing health inequalities.

We support our members in three main ways:

- We represent organisations and sectors, to ensure local organisations and systems work in the best interests of service users, citizens and staff.
- We connect the whole healthcare system, to boost system working and develop solutions to shared challenges.
- We support leaders to develop and hone their leadership skills, equipping leaders with tools, ideas and insights and connecting them with a community of leaders.

Our work is underpinned by our values which help us to achieve our vision of a healthier population supported by high-quality health and care services that benefit everyone. We are respectful, inclusive, bold, collaborative and we act with integrity.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

---

### Summary overview

The last year has stretched the health and care system to its limit. Throughout the year, the NHS Confederation has supported our members to respond to the pandemic challenge and to plan for the future with important legislative changes on the horizon. We have been a strong voice for our members in public and have advocated for the conditions they need to place the NHS on a more sustainable footing.

Here is a summary of our highlights from the year, with more detailed information set out later in this report.

### COVID-19

The pandemic has been the single biggest challenge facing our members and we have been one of the most prominent national voices making the case for the issues that have mattered most to them. We have engaged closely with our members to feed back their views on the policy and practical changes required to enable the NHS to respond to the pandemic. And we have worked alongside policymakers in government and the NHS's arm's-length bodies to support the national pandemic effort.

We successfully made the case for the government to enact Plan B of its winter strategy in October 2021, following clear calls from our members who were experiencing worrying increases in coronavirus cases in hospitals and the community. We called for the government to introduce measures, such as mandatory face coverings in crowded and enclosed spaces, without delay, to keep people well and avoid the NHS from becoming overwhelmed over the winter. Our calls were heeded. This was one of several high-profile interventions that saw us make the case for continued public adherence to mask wearing and other measures that would help to restrict infection levels.

We also informed the government's consultation on making COVID-19 and flu vaccinations mandatory for NHS staff, while critiquing the government's subsequent U-turn which posed significant operational challenges for frontline teams.

In July 2021 we launched a campaign calling on the public to continue to behave cautiously in how they go about their daily lives to collectively keep transmission down. The #NotTooMuchToMask campaign achieved wide-ranging media and social media coverage and engagement across multiple channels.

### Legislative reform

The health and care bill brings the most significant set of NHS legislative reforms in a decade, and we have been at the heart of the debate. We have represented the views of our members across large swathes of the bill and have secured a number of concessions to the draft legislation.

Our main focus has been on securing checks and balances to the government's intention to hand greater powers over the NHS to the Secretary of State for Health and Social Care,

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

particularly when it comes to local service reconfigurations. We have worked – both independently and with other health sector organisations – to brief MPs and peers on member views, work constructively with the Department of Health and Social Care and ministers to improve the legislation and apply pressure on them where necessary. We were delighted to secure extra checks and balances on the proposed powers.

We also worked as part of a campaign coalition to strengthen the measures on workforce set out in the bill. Although we were not successful in securing these changes, we will continue to make the case for regularly published projections on workforce numbers, as well as a fully funded and costed workforce plan for the NHS.

#### **Support for integrated care systems**

The Health and Care Act led to the creation of new statutory bodies from 1 July 2022: integrated care systems (ICSs). We have led the case for ICSs becoming statutory bodies and advocated for the conditions that ICSs and their leaders need to succeed.

Highlights include influencing the ICS design framework and other key guidance, while our report in January 2022 set out a compelling vision for the future of integrated care, shaped by the views of ICS leaders.

In February 2022 we commissioned and published a report by former ICS leader Professor Sir Chris Ham, with support from Palantir. The report outlined the changes needed to create the conditions in which ICSs can improve outcomes for patients and the public, and the rules to guide those leading the reform programme.

In our drive to showcase how systems are already working together to achieve improved patient outcomes, hundreds of members, stakeholders and influencers have engaged with our Integration and Innovation in Action series. It brings together good practice examples of system-wide working and innovation through reports and case studies, breakfast briefing webinars and podcasts. Themes explored our member concerns such as provider collaboration, elective recovery, population health and patient voice in systems.

In addition, our new Health on the Line podcast series launched this year, highlighting the experience and insights of both our members and experts. These have included Professor Trish Greenhalgh, Professor Sir Chris Ham, and Ifti Majid, CEO of Derbyshire Healthcare NHS Fountain Trust. Themes we have explored on the podcast include the need for distributive system leadership, tackling elective recovery through a health inequalities lens, reflections and lessons from the COVID-19 pandemic and, most importantly, how pressured leaders practice self-care.

#### **Leadership review**

We have played a prominent role in influencing the review of leadership in health and social care, led by General Sir Gordon Messenger, which was published in May 2022.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

We hosted a series of member engagement sessions with Sir Gordon and Linda Pollard to inform the review. Our key focus was on the importance of system leadership, the need to move away from top-down performance management towards creating a learning and improvement culture, and the importance of having a diverse and representative leadership.

To inform the review, we also commissioned a series of 'long reads' from academics at the University of York and London South Bank University, which sought to combat myths on NHS management. The analysis debunked the myth that the NHS is over-managed and also outlined the positive contribution that managers make to health and financial outcomes.

#### **Equality, diversity and inclusion (EDI)**

COVID-19 has laid bare the stark differences experienced both by people working in the NHS and those receiving health and care services. Inequality is at its root.

We recognise that concerted action and practical support are key to effecting change. That's why we have developed an EDI programme and over the last year we have provided dedicated support to equip and enable healthcare leaders to tackle inequalities. We have been working with healthcare leaders across the country to bring about equitable outcomes for patients and service users, and to move towards workforce equality.

We have provided practical guidance and resources, as well as opportunities to network and influence, including through our three EDI leadership support networks. Our EDI work is centered on three key pillars – equity, leadership and accountability – as detailed in our EDI strategy, which was produced by our member-led EDI Reference Group in August 2021.

Among our key achievements this year has been delivering a programme, funded by NHS England and NHS Improvement, which provided a leadership framework for tackling health inequalities. This involved a series of webinars for chairs and non-executive directors on NHS boards, providing practical actions, tools and insight to help lead stronger NHS action on health inequalities. This was delivered 15 times to groups of integrated care systems and their provider organisations. Phase two, which will comprise four masterclass webinars, is being commissioned for delivery later in 2022.

We also developed a Health Inequalities Resource Hub to provide easy access for all leaders, but particularly non-executive directors, to find tools and materials relating to leadership action on health inequalities.

Our EDI programme has also helped to support diverse recruitment for integrated care boards. Our support was offered to the 42 integrated care systems in February 2022 and provides EDI recruitment expertise across the entire recruitment process. It is supporting the appointment of executive and non-executive integrated care board members, with the objective of achieving greater diversity of thought at board level to meet the needs of local populations.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

This year we also led a high-profile commission that identified ways to increase chair and non-executive director diversity in the NHS. And we supported ICS chairs and non-executive directors to develop the insight and expertise to provide effective leadership and challenge on the health inequalities agenda.

Our diversity and inclusion partners programme, led by NHS Employers, supported 60 member organisations and systems to improve their equality performance, in line with the NHS People Plan.

Our women leaders, BME and LGBTQ+ networks continue to provide invaluable support across the NHS. We led national EDI campaigns to build unity and amplify voices, including Black History Month, Equality, Diversity and Human Rights Week, Pride season, International Women's Day, LGBTQ+ History Month and Disability History Month.

The Health and Care LGBTQ+ Leaders Network conducted a year-long pilot project with its members to implement recommendations that progress LGBTQ+ inclusion in the wake of the pandemic. The results are being analysed and a framework for health and care organisations will be published later in 2022.

Network members also contributed their experience and expertise to the government's conversion therapy consultation. We created a compelling narrative around how conversion therapy affects LGBTQ+ people and submitted evidence to influence the consultation.

Similarly, the network's inclusive leadership survey provided valuable insights into where organisations are doing inclusion well, and where improvement is needed. The findings help all members to improve their inclusivity.

During LGBT History Month in February 2022, the network was active on Twitter promoting local events, showcasing trailblazers who made positive contributions to the health and care of the LGBTQ+ community, and published an opinion piece on activism in the workplace.

The Health and Care Women Leaders Network celebrated International Women's Day on 8 March. At this year's event the network partnered with colleagues to celebrate and highlight work underway to progress gender equality and showcase initiatives that are making a tangible difference for women working in health and care.

On behalf of members, the network responded to the consultation calling for a clear strategy for women's health to be developed and was informed by our reports on the impact of COVID-19 on the female health and care workforce.

The BME Leadership Network led a strong programme of activity throughout Black History Month in October 2021, including delivering the inaugural annual lecture series delivered by Professor Dame Donna Kinnair DBE.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### **Commercial partnerships**

Despite the challenges that the pandemic created, we had an excellent year in terms of engaging commercial partners. We delivered our first virtual annual conference, attracting 3,666 delegates across two days. Across the year, we delivered 157 events, compared to 118 in 2020/21. Through the year, 28,582 delegates registered to attend our events.

Through the year, we have developed a series of longer-term partnerships with organisations such as ABPI, Novartis, Palantir, Hill Dickinson, NHS Supply Chain, Boehringer Ingelheim and more. We also launched a new associate subscription scheme, to increase our engagement with commercial partners. We now have 144 associate members and subscribers, compared with 35 in 2021/22.

Having had to cancel NHS ConfedExpo, our new joint event with NHS England and NHS Improvement in 2020, we relaunched it in 2021, planning a return to a face-to-face event for 15 and 16 June 2022. By the end of 2021/22, all sponsorship packages and exhibition space for this upcoming event was sold.

Our conference and event venue Horizon Leeds continued to fight back against the impact of the pandemic. We launched a virtual studio offer as well as hosting face-to-face events when allowed. By the end of 2021/22, we had increased income by 200 per cent on 2020/21, and the venue is entering 2022/23 with a wide range of services to support face-to-face, virtual and hybrid events.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

---

### Key achievements in 2021/22

Throughout the past 12 months we have represented our members and kept them connected and supported.

#### Represented

Through our Acute Network we have contributed to the elective recovery plans, in discussion with government, influencing the planning process and gaining additional funding to support our members. We represented provider voices throughout workforce discussions with national policymakers, including on mandatory vaccinations and securing the inclusion of social workers on the government's shortage occupation list.

Campaigning alongside NHS Providers, our Community Network helped ensure that funding for discharge to assess was extended to the second half of 2021/22, and we continue to push for it to become permanent. The network also put on the national policy agenda the need for a pay uplift for NHS staff working in services commissioned through public health contracts. Alongside NHS Providers, we continue to press for a permanent solution.

Throughout the year, our Mental Health Network has continued to represent its members to help shape and challenge national policy. Its Housing Forum held a summit with key decision-makers to influence transformative change in how housing is integrated into the mental health pathway, and outcomes for patients and service users is improved. A report distilling the recommendations will be released in May 2022.

Network board members met with the Care Quality Commission's chief executive to articulate the sector's concerns around regulation during the pandemic and highlighted the need for flexibility around workforce innovation. The network took a leading role in developing the Mental Health Policy Group's Comprehensive Spending Review submission, articulating the pressures facing mental health and calling for a three-pronged support approach from government. The network also responded to the Mental Health Act Review consultation based on member feedback, securing a commitment to further explore the most complex areas of the legislation such as learning disabilities and autism.

Through our PCN Network and Primary Care Federation Network, we successfully lobbied NHS England and NHS Improvement to secure additional funding for primary care network (PCN) management and leadership capacity, while also influencing them to delay the transfer of the PCN extended access contract to alleviate workload pressures. Our primary care members took part in round tables with the Prime Minister's implementation unit and the Messenger review of leadership and management in the NHS.

Our ICS Network continued to go from strength to strength, developing constructive relationships with the Department of Health and Social Care and NHS England and NHS Improvement, working closely on issues such as system regulation and the integration white paper. The network held regular meetings for ICS chairs with health minister Edward Argar,

# **THE NHS CONFEDERATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

exploring key issues including social care reform and ensuring he took on board members' concerns.

Before its closure on 31 March ahead of integrated care systems becoming statutory in July 2022, NHS Clinical Commissioners ensured the commissioning nurse voice was heard and the importance of executive nurse leadership within systems was recognised, by raising the issue with all ICS leads. NHSCC worked with NHS England, the Local Government Association and ADASS, as well as NHSCC nurse forum members, to produce a Continuing Healthcare report calling for a change in policy. It will be published in spring 2022.

NHS Employers continued its representation of the NHS workforce by gathering views and insights from HR directors and leaders to inform evidence to the Doctors' and Dentists' Review Body, the NHS Pay Review Body, Health Education England's workforce planning call for evidence and the Department of Health and Social Care's consultation on making vaccination a condition of deployment. As co-chair of the Cavendish Coalition, NHS Employers led conversations with the Migration Advisory Committee to make a successful case for the immigration rules to be amended to permit care workers to be recruited from overseas, which was subsequently accepted by the Home Office. And, as part of its work for the NHS Staff Council, NHS Employers worked with colleagues at NHS England and Improvement to communicate changes to the NHS terms and conditions of service around introducing enhanced flexible working options for staff.

On behalf of members and the Health and Care Women Leaders Network, we responded to the government consultation calling for a clear strategy for women's health. Our response was informed by our research on the impact of COVID-19 on the female health and care workforce. Members of our Health and Care LGBTQ+ Leaders Network members contributed their experience and expertise to the government's conversion therapy consultation. We created a compelling narrative of how conversion therapy affects healthcare professionals and submitted evidence to influence the consultation. The network's inclusive leadership survey provided insights into where organisations are doing inclusion well, and where improvement is needed, to help all members improve their inclusivity.

In Wales, following extensive engagement with NHS leaders, the Welsh NHS Confederation responded to 13 Senedd Committee inquiries and Welsh Government consultations. Members' key priorities were also highlighted ahead of the 2021 Senedd election, both in the media and with politicians.

The Northern Ireland NHS Confederation (NICON) continued to represent member view at regular meetings of the HSC Chairs' Forum with Northern Ireland's Minister of Health and departmental colleagues. Ahead of the May 2022 Northern Ireland Assembly Elections, NICON's election briefing comprised four core priorities and eight supporting areas of activity based on member insight, that will require political and public support to achieve the necessary progress. Through a series of press releases on behalf of all 17 chairs of HSC bodies, NICON spoke out on issues such as the impact of the draft Budget on services and the increase in incidences of violence and abuse directed against frontline staff.

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

Through our International Office we ensured NHS interests were properly represented with the UK government and the EU to successfully achieve a range of post-Brexit arrangements for the NHS, directly with relevant government departments, and through convening the Brexit Health Alliance and the European Health Stakeholder Group.

We worked with government to establish the principles for free trade agreement negotiations based on priorities, opportunities and threats for the NHS, and responded in depth to Department of Trade consultations on the UK's negotiating approach to trade with India, the Gulf States (GCC) and Israel.

Our European Office also ensured NHS interests were heard at the International Hospital Federation (IHF), European Hospital and Healthcare Federation (HOPE), European Health Management Association (EHMA), and the European Hospital and Healthcare Employers' Association (HOSPEEM) via international health policy working groups, board meetings and conference presentations.

#### **Connected**

Our Acute Network connected leaders to learn from each other and discuss challenges and solutions around provider collaboration. Leaders who are interested in working together at place level were brought together in a peer support forum.

Community Network members helped shape and engage with national policy through webinars with NHS England and NHS Improvement and NHS Digital policy discussions. Regular meetings for chairs of community health service providers gave opportunity to discuss the challenges they face and potential solutions.

Members of the Mental Health Network who work in the area of learning disabilities/autism were given a new space to share good practice, discuss concerns and receive support, with the formation of the Mental Health and Learning Disabilities/Autism System Group. Chairs of NHS mental health trusts met with several NHS England and NHS Improvement leaders to debate how to improve access to and quality of offender healthcare, and MHN began hosting its third cohort of the Aspiring Nurse Directors Programme, holding a series of masterclasses with senior healthcare leaders to prepare members for director positions.

We connected more than 800 primary care professionals through our PCN and Primary Care Federation Networks, bringing together colleagues across a number of national and regional forums including communities of practice, roundtables and peer learning groups, as well as hosting our second national primary care conference. The new Primary Care Hub app was launched, connecting over 1,000 members and providing a safe space to share ideas, learn and understand the wider health and care system.

We provided space for ICS Network members to raise issues and have open conversations with peers and key national decision-makers, speaking out on their behalf when appropriate.

# **THE NHS CONFEDERATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

And the first national ICS Network Conference delivered a unique opportunity for 250 ICS leaders to come together to discuss shared challenges.

NHS Clinical Commissioners led the HR and OD forum taskforce group, enabling NHSEI HR and OD leads to engage with members on issues concerning the transition to ICSs. In preparation for ICSs becoming statutory, NHSCC provided a support offer to members looking for new ICS roles and enabled one-to-one legal advice on finding and applying for future roles.

NHS Employers continued to bring together workforce leaders through national and regional networks, delivering over 200 regional network meetings throughout 2021/22. It contributed to and enabled partnership working with trade unions, in the workforce elements of organisational change arising from the establishment of integrated care boards. NHS Employers also played a key role in connecting NHS colleagues with peers through the Diversity and Inclusion Partners Programme, as well as networks for health and wellbeing, total reward and the newly established education and training network.

Collective membership of our three EDI networks for women leaders, LGBTQ+ leaders and BME leaders increased to over 3,000, enabling members to connect through events, masterclasses, tweet chats and campaigns, and sharing learning through podcasts, blogs, videos and key reports. NHS Employers' diversity and inclusion partners programme supported 60 member organisations and systems to improve their equality performance, empowering their local, regional and staff networks to develop inclusive workplace cultures in line with the NHS People Plan.

The Welsh NHS Confederation has continued to chair the Health and Wellbeing Alliance, which comprises over 70 health and care organisations. Over the past 12 months, the Welsh NHS Confederation hosted 11 online thought leadership events for members and wider stakeholders, attracting over 1,200 attendees in total, and the inaugural Wellbeing for Wales lecture series connected over 500 attendees across eight sessions over four days.

The NICON annual conference, brought together around 700 key stakeholders virtually from across the statutory organisations, VCS and key industry partners in industry to connect and reflect on the progress achieved to date on Northern Ireland's ten-year strategic plan and deliberate the way forward. Member-led discussion sessions kept members well informed on topical issues and upcoming consultations, while weekly member insight briefings kept HSC and associate members informed of updates on the political front with briefings containing details of relevant Assembly and Health Committee proceedings, upcoming consultations and relevant news.

Our European Office delivered eight regular special interest group meetings that provided members with unique peer learning opportunities around approaches to NHS international commercial activity and help them unblock obstacles to achieve their potential, including producing a series of case studies, conference sessions, and a peer learning guide to empower members to establish and develop their international commercial activity.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

Having established NHS Confederation this year as a health sector leader in digital policy at the intersection of the UK and EU, the team used this unique position to bring together key stakeholders in health and digital policy to achieve important progress for the NHS in data protection and data sharing. Members also had opportunities make connections and showcase their work internationally, including by partnering with the International Initiative for Mental Health Leadership to produce case studies on COVID-19-driven innovation in each of the four home nations.

#### **Supported**

Our networks for providers have supported leaders to engage with the Care Quality Commission on their experiences of the inspection process. Through a series of roundtables, our Acute Network supported ambulance trusts and ambulance commissioners with developing guidance on how ambulance services should be commissioned by ICSs.

Along with NHS Providers, we worked with NHS England and NHS Improvement on a webinar and blog series on urgent community response standards to inform providers of community services on upcoming changes, help them to prepare, and share best practice and learning. The Community Network has also helped wider stakeholders to understand what community services are, what they do, and their value as part of the COVID-19 response.

The Mental Health Network published a seminal report on the pandemic's impact on children and young people's mental health, to raise awareness with government and arm's-length bodies of the pressures members were facing and how this is impacting young people. MHN also published a report for policy makers, through the Mental Health Economics Collective, highlighting the systemic challenges facing the mental health sector, and offered solutions and practical cost savings. The Mental Health Network's Digital Forum conducted research into digital competency, producing a practical guide to support people working in mental health to build their digital confidence and skills.

We developed a new enhanced membership offer for primary care to achieve a stronger voice for the sector to work with partners across the health and care system, locally and nationally. And the PCN Network and Primary Care Federation Network showcased the achievements of primary care during the COVID-19 pandemic to support its members by addressing criticism over reduced access and face-to-face appointments.

Through the ICS Network we established forums for communications and engagement leads and finance directors, allowing them to meet, exchange ideas and influence issues such as ICS branding and system finance policy. We also worked jointly with the LGA and NHS Providers to deliver a full ICS peer support programme, including workshops, mentoring and peer reviews on progress.

NHSCC members have had access to national events, roundtables and meetings to help influence policy across health and social care, while being able to regularly discuss and disseminate local and national issues and share solutions through national forums.

# **THE NHS CONFEDERATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

NHS Employers has worked on a wide range of practical support for HR directors and their teams, including implementing the specialist and associate specialist (SAS) doctors' contract; the McCloud remedy to address age discrimination issues attached to NHS Pension Scheme arrangements; corrective action on overtime and other payments made to staff during periods of annual leave; inclusive recruitment; local clinical excellence awards; staff wellbeing and experience; and COVID-19. In addition, NHS Employers worked with NHS England and NHS Improvement on the pensions and reward element of its staff retention campaign, which was a key policy initiative linked to supporting elective recovery.

We led national EDI campaigns to build unity and amplify voices, including Black History Month, EQW, Pride season, International Women's Day, LGBTQ+ History Month and Disability History Month. We also developed a programme of health inequalities improvement seminars for chairs and non-executives on provider boards within ICSs, to support stronger NHS action on health inequalities.

The Welsh NHS Confederation's support for ten director peer groups over the past year has continued, providing enhanced secretarial and policy development support through the NHS Leadership National Programme. We have supported 15 NHS representatives to provide oral evidence to Senedd Committees to ensure the views of NHS leaders were heard and better understood by members of the Senedd.

NICON hosted several engagements with Matthew Taylor and Mike Farrar, to discuss how to achieve a step change in health outcomes in Northern Ireland. This led to an agreed consensus across the membership and a collective agenda amongst chief executives. This work has markedly improved the relationship with our Department, which will in turn facilitate greater opportunities for influence and support. NICON also secured member agreement to fund two new members of staff to support key professional groupings based on the peer support model pioneered by the Welsh NHS Confederation. This will provide support for members, encourage cross-trust communication and improve member intelligence and influence.

Our European Office helped ensure a conducive post-Brexit NHS operating environment through expert analysis alongside member insight to identify issues and potential solutions, and hold the government and regulators to account in a wide range of NHS priority areas. As a formal National Contact Point for Horizon Europe, we provided the NHS with support for participation in the EU's key funding programme for research and innovation, which has a budget of €95.5 billion, and more widely, we worked to ensure the NHS is able to participate post-Brexit.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### Plans for 2022/23

Following an extensive survey of our members, we have developed a new work programme for 2022/23 that will build on the learning from the pandemic. This will be centred on five priority areas that members have told us are crucial to the future effectiveness and sustainability of health and care services:

1. **Supporting the workforce** - Achieving a sufficient, valued and fully engaged whole-system workforce that actively promotes equality and diversity and is prepared for future challenges.
2. **Integrating health and care** - Integrating physical health, mental health, and social care services to be able to respond effectively to local needs and opportunities.
3. **Improving population health** - Greater system working and incentives to increase prevention and improve population health outcomes, while reducing health inequalities.
4. **Driving innovation** - Improved capacity, access, personalisation, quality and sustainability achieved by driving innovation throughout the NHS.
5. **Enhancing the NHS's role in economic development** - Enhancing the role of the NHS in inclusive and sustainable economies to transform population wellbeing.

These are our five impact goals as an organisation and where we will aim to deliver maximum benefit to all parts of our membership. Here is how we will achieve this in the coming 12 months:

#### 1. Supporting the workforce

We will continue to advocate for a fully costed and transparent workforce plan, recognising this to be a key issue for members. We will continue to challenge the government on issues including staff burnout, and our Community Network will continue to focus on and advocate for the community health services workforce, highlighting areas where there are persistent challenges for members.

The Mental Health Network will undertake joint work on health and social care workforce integration research with the wider NHS Confederation, to highlight solutions for mental health and learning disability workforce challenges, influence workforce policy and showcase good practice and innovation.

MHN will also will produce suicide post-vention guidance with Samaritans, which will give members the tools to more effectively support staff after a colleague dies by suicide.

Our new Primary Care Network will build on its success since launching, to develop a significant network for primary care leaders that will continue to highlight the significant workforce issues that exist in primary care. We will use the recommendations from the Fuller stocktake on primary care integration and work with our ICS network to support the

# **THE NHS CONFEDERATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

development and implementation of innovative employment models to increase capacity in primary care.

Working closely with NHS Employers, our ICS Network will convene a community and practice group, a continuing healthcare (CHC) / care workforce group and a system people forum, as well as delivering a peer support and leadership support offer with the Local Government Association and NHS Providers to help give ICS leaders the skills and knowledge required to lead their systems successfully.

NHS Employers will continue to deliver the DHSC-commissioned service to support and represent NHS organisations in England. Within this we will lead the national collective relationships with our trade union partners on partnership, contracts and pensions; represent the NHS to government on workforce matters; and provide support to employers in key areas. This support includes dedicated regional employer networks as well as specific policy areas including supply, wellbeing and total reward.

We will place particular priority to the work members will do in response to the financial pressures on staff, improved information about the NHS employment and pensions offer, understanding of the current labour market (in partnership with ReWAGE) and the implementation of the NHS Staff Covenant. NHS Employers' social partnership work will remain focused on the complex recovery of NHS services following underinvestment and the pandemic's profound impact on teams and their services to patients.

The Welsh NHS Confederation is set to work closely with NHS Employers and University of Exeter Business School, to support the research into equality and diversity of NHS boards in Wales and Northern Ireland through engaging with our members and stakeholders in Wales.

Working closely with NHS Wales Employers and Health Education and Improvement Wales, The Welsh NHS Confederation will raise awareness of the key issues and opportunities relating to the health and care workforce, including recruitment, retention, training and staff wellbeing. NHS Wales Employers will continue effectively engage with trade unions, professional bodies and Welsh Government on strategic workforce issues.

NICON will continue to advocate for the prioritisation of workforce planning and ensuring there is adequate funding to secure the future workforce, as outlined in the 2022 election briefing. Working through the HR Directors Forum, workforce issues and solutions will be brought to regular ministerial meetings and included as a theme for the NICON conference in October 2022.

Through our European Office, we will influence key aspects of EU policy and legislation along with UK policies and regulations on matters such as mutual recognition of professional qualifications, to support NHS workforce planning and capacity. We will represent the NHS and connect members with good practice exchange with EU and international organisations like the European Hospital and Healthcare Employers' Association (HOSPEEM) both to support improvements in NHS workforce policy and practice, and to showcase the merits of the NHS internationally to support the NHS's ethical international recruitment ambitions.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

We will also identify and secure access for the NHS workforce to get the most from international professional development opportunities, including within the global health sector.

#### **2. Integrating health and care**

From CQC regulation to the System Oversight Framework, our ICS and acute networks will be working to ensure that acute members' interests are properly represented as the architecture for the NHS shifts.

The Community Network will be focusing on the role of community health services in systems and the learning and best practice they can bring in the delivery of out-of-hospital care and the way they can work with integrated care systems. We will continue to play an important role in connecting acute and community providers with all parts of the system, ensuring community providers are linked up through forums including for provider collaboration and for chairs and non-executives, and connecting members with PCN clinical directors and GP federation leaders.

The Mental Health Network will support the growth of open access to mental health support through blogs, webinars and case studies, which will increase the awareness and understanding of the value of open access support, and showcase innovative work by members.

We will also work to increase the role of population health management and public mental health in integrated care systems, to ensure a strong voice for public mental health within the Office for Health Improvement and Disparities and the wider system, and increase understanding of the benefits of public mental health.

Our Primary Care Network, working with our other networks, will deliver a programme of activity in support of the Fuller stocktake recommendations to support the integration of primary care with integrated care systems, with a focus on their role in neighbourhood and place. We will continue to support members to ensure the voice of primary care is effectively represented at system level and that primary care leaders have the capacity to engage in system-level discussions and decisions.

The ICS Network we will provide core business support to our Provider Collaboration and Place-Based Partnerships work programme, both in the action learning sets and the wider thought leadership forum.

Through our ICS chairs and chief executives forums, we will help to further the integration agenda by spreading best practice, connecting leaders and influencing national policymaking.

Our System Finance Forum and finance leads engagements with senior NHS leaders will help to influence the national financial architecture to help address bureaucratic barriers to integration.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

NHS Employers' System Workforce Leaders Forum will enable integrated care board workforce leaders to work together on shared priorities and the development of integrated workplace planning. Linked to this work, we will continue to strengthen our relationship with Skills for Care to better support our respective members. The Cavendish Coalition of social care and health organisations (which NHS Employers convenes) will continue to work together to understand the workforce agenda across both sectors.

The Welsh NHS Confederation will be working with board secretaries and other relevant executive peer groups, to raise awareness of the governance and regulatory barriers to integrating health and social care. A key stakeholder engagement strategy will be developed to enable effective working and collaboration at a national level on key issues and areas of mutual interest, including population health, social care and local needs. The Welsh NHS Confederation will continue to raise awareness of the pressures on social care system and the impact it has on the NHS. This will be achieved through developing relationships with the Welsh Local Government Association, the Association of Directors of Social Services Cymru and working closely with social care partners through our Health and Wellbeing Alliance.

The Northern Ireland NHS Confederation will support the strategic planning and performance group to deliver the new integrated area-based planning model with a programme of activities, and will run a set of leadership development activities in partnership with HSC Leadership Centre. In support of integrated working across the public sector, NICON will help to create a Northern Ireland civil service pan-public sector leadership development programme.

Our European Office will provide international examples, analysis and other insights to help ensure that policy and innovation around integration is supported by international best practice.

We will represent the NHS and connect members with good practice exchanges on key topics with the International Hospital Federation (IHF), European Hospital and Healthcare Federation (HOPE), European Health Management Association (EHMA), and the European Hospital and Healthcare Employers' Association (HOSPEEM).

### **3. Improving population health**

Working across the NHS Confederation group, we will develop a Confed-wide definition that clearly articulates what population health means.

With COVID-19, A&E pressure, staff burnout and long waiting lists a constant theme for our members, we will challenge the government on the realities of delivering care in the current environment. The Community Network will continue to focus on backlogs of care in the community sector and the impact on patients and their families, particularly where it exacerbates existing health inequalities, and will call for appropriate and well-funded public health infrastructure both locally and nationally.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

The Mental Health Network will publish its report, Mental Health in Ten Years' Time, which will influence policy after the NHS Long Term Plan, showcase good practice and increase understanding of challenges and solutions for mental health and learning disability to a wider audience. The network will also create an MHN Learning Disability Forum and Learning Disability Policy Group, to provide a space for members to share good practice and solutions, and increase the profile of learning disability/autism policy with key decision makers, to help improve services.

Our Primary Care Network will support members to face the challenges of delivering healthcare in the heart of the communities they serve, designing service offers to suit the needs of different groups of patients. Through our communities of practice we will help members to feel equipped to deliver tangible outcomes through sharing and learning from each other.

A series of events is planned to allow members to come together to discuss and debate topics that are important to them and their communities, and that will help them influence national, regional and local policies.

Through our ICS Network we will provide core business support to the NHS Confederation's place-based partnership work programme, both in the smaller group convention and the wider thought leadership forum, where population health management plays a significant role.

Through working closely with members of the Health and Wellbeing Alliance, The Welsh NHS Confederation will continue to call on the Welsh Government to introduce a cross-government plan to tackle health inequalities. Through policy and public affairs work in Wales, including briefings and inquiry responses, we will raise awareness of key messages relating to population health, prevention and reducing health inequalities.

NICON will continue to convene a working group on the introduction of a single waiting list for Northern Ireland in pilot areas to reduce inequalities in waiting times and outcomes across trust boundaries. A chief executive team development programme will be commissioned for system leaders, and health inequalities will be a key focus of the NICON conference agenda.

Our European Office will provide international examples, analysis and other insights to help ensure that policy and innovation around system working, prevention, and population health is supported by international best practice.

#### **4. Driving innovation**

We will be placing a significant focus on provider collaboratives in the coming 12 months, with best practice and action learning sets bringing together leaders from across England to learn from one another and drive improvement. We will be working harder than ever to focus on the innovations and improvements that are sustaining the NHS in a period of sustained and significant pressure

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2022

---

The work and innovations that community health services deliver will continue to be highlighted, sharing their insights, learning and best practice. With the expansion of virtual wards and the Hospital at Home programme, digital innovation will be particularly highlighted.

The Mental Health Network will deliver Integration and Innovation in Action and Mental Health Awareness Week, producing a new report, a webinar, a podcast and achieve media coverage in collaboration with the wider NHS Confederation group. MHN will continue to be a key member of the Mental Health Economics Collaborative, producing reports and webinars showcasing member innovation and influencing policy makers.

We will use our knowledge and engagement with Primary Care Network members to gather and highlight innovation. We will bring members together with experts to put primary care at the front of new ways of working to improve patient *care* and influence the shape of future health and care developments and policy.

Through its clinical and care profession leadership workstream, the ICS Network will convene the chairs of systems' clinical fora to help ensure clinical leadership is embedded in every level of the system. The network will also convene a medical profession reference group made up of nurses, doctors, allied health professionals and primary care leaders to provide clinical expertise to our work.

We have committed resource over the next 12 months to support our policy programme on digital and innovation, including through a system digital forum, and to our regulation and operating framework, to address challenges and opportunities related to system regulation and the NHSEI operating model.

NHS Employers will continue to highlight and share innovative workforce practice, including an increased focus on evidence practice from other sectors, in partnership with the Centre for Evidence Based Management (CEBMA). We will also support collaborative work within our regional networks on agile working and presenteeism.

Members and stakeholders in Wales will continue to have opportunities to showcase their innovation and share best practice through our events and external affairs work to improve patient outcomes. And through continuing close work with the Comms and Engagement Heads of Profession Peer Group, The Welsh NHS Confederation will raise awareness of innovation throughout the NHS and how services are being transformed to provide person-centred care.

Both of Northern Ireland's universities will partner with NICON to develop the annual conference agenda, and NICON will work with the HSC quality improvement team and other key partners, to showcase best practice at the event and identify opportunities to build on this work.

We will influence EU and WHO policy and legislation to empower NHS innovation in a post-Brexit world, including leading UK participation in the EU Joint Action for the Common European Health Data Space; accessing UK and international levers to advance the UK's digital and research policy; facilitating UK participation in initiatives like the WHO Global

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

Network for Rare Diseases; and participating in international policy working groups where available on capacity, access, personalisation, quality and sustainability.

#### **5. Enhancing the NHS's role in economic development**

Community health services are embedded within the communities they serve and we will continue to showcase their role as anchor institutions. We will bring together acute, community and ambulance providers and other leaders across the system who are supporting local economic recovery strategies, and fostering better partnerships with local government, higher education and other sectors.

We will work with Primary Care Anchor Networks to support work to create and sustain a vibrant and healthy community, through increasing the recruitment of local people into primary and community care roles, widening access and offering more developmental, training and educational opportunities. We will support members to think innovatively about working with local communities through learning from each other where it is working well.

Our ICS Network is providing core business support to the NHS Confederation's place-based partnership work programme, both in the smaller group convention and the wider thought leadership forum, which plays a vital role in local economy development and the promotion of prosperous places.

We have committed resource to our work programme on social inclusion and inclusive health, including delivering the fourth purpose of integrated care systems: helping the NHS to support broader social and economic development.

NHS Employers will continue to promote employment in the NHS within local communities. Our partnership with The Prince's Trust will continue throughout the next year and we will relaunch all our resources to support better and more diverse recruitment from the communities served by the NHS, with a particular focus on underserved and marginalised groups.

Working closely with the directors of finance and the Finance Academy, The Welsh NHS Confederation will articulate the key financial challenges that the NHS is facing in the coming years and begin to influence future budget discussions in areas such as capital, infrastructure, revenue, resource framework for transformation and innovation, and digital. Through regularly attendance at the directors of finance peer group meetings, The Welsh NHS Confederation will gather views and understanding of the NHS's role in local economies and raise awareness of the work being undertaken across the NHS in Wales. We will also support NHS chairs and CEOs in Wales to raise awareness of the role that the NHS plays in sustainable economies during discussions around COVID-19 recovery, including the role of the NHS as the biggest employer in Wales.

Working alongside key partners in the health and life science innovation ecosystem, including the Health Innovation and Research Alliance Northern Ireland, NICON will hold a roundtable discussion on the role of the economy in health. The outcomes of this discussion

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

---

will help inform a draft proposal options report setting out how an Academic Health Science Network approach could benefit citizen outcomes in Northern Ireland in the future.

Through our European Office we will empower members to achieve their international commercial ambitions via peer learning, case studies, showcasing members internationally, and by providing a link with Healthcare UK/Department for International Trade. We will influence the UK's negotiating approach to trade with other countries to best reflect NHS interests.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

---

### Structure, governance and management

The charity is a company limited by guarantee and was incorporated on 23 January 2002. The charity's latest articles of association and byelaws were adopted at a General Meeting of members on 16 June 2021.

The charity has a subsidiary called The NHS Confederation (Services) Company Limited incorporated as a company limited by guarantee (Company Number: 05252407).

#### About us

The NHS Confederation is an independent membership body, and membership is open to any statutory NHS or health and social care service organisation within the UK, and any other health or social care body that is approved by the board of trustees. Our membership is drawn from the full breadth of organisations that oversee, commission, and provide healthcare services in England, Wales, and Northern Ireland, including acute and community trusts, clinical commissioning groups, mental health trusts, independent providers and statutory NHS bodies in Northern Ireland and Wales. We also represent ambulance trusts through the Association of Ambulance Chief Executives.

The NHS Confederation helps its members commission and deliver high-quality, patient-focused care for the public by enabling them to learn from each other, acting as their public voice and the voice of the whole health care system and helping to shape the system in which they operate. We do this by providing strong voices for our members through the different networks and devolved jurisdictions that form the NHS Confederation, including NHS Clinical Commissioners (up to 1 April 2022), the Mental Health Network, the Primary Care Network, the Integrated Care Systems Network, the Welsh NHS Confederation and the Northern Ireland Confederation for Health and Social Care.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services. We uphold our duty of public benefit by being an outstanding membership organisation that brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Northern Ireland and Wales.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit as outlined here and on page 5.

#### Board of trustees

The charity's existing articles of association allow for a board size of no less than three and no more than 15 trustees.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

Following a change to the NHS Confederation's Articles and Byelaws in June 2021, the board is able to appoint nominated trustees from networks and devolved jurisdictions, and co-opt additional trustees for their skills and experience, provided that the board size does not exceed 15. The trustee nomination and appointment system as set out in the byelaws will take effect from July 2022. The changes in June 2021 also confirmed that the trustees are the only members of the charity ("Company law Members") and any member decision required under company law will be reserved for Company Law Members.

### Recruitment of trustees

During the financial year, as our new Articles and Byelaws came to force, we recruited six new trustees to the board. Two of these were drawn from networks and four were recruited as independent trustees, including Vice Chair, Chair of Finance and Operations, and Senior Independent trustee. These vacancies arose due to previous trustees ending their terms of office. An open recruitment process was followed for all independent trustee recruitment.

### Induction of new trustees

New trustees have induction meetings with the board chair and relevant members of the senior management team. Inductions are tailored as per requirements of the trustees and their prior knowledge or engagement with NHS Confederation prior to appointment. From time to time, lawyers or other advisers are invited to attend board meetings to update trustees on charity governance issues and remind the board of their legal and fiduciary duties.

### Strategic report

#### Trustees

The following trustees, who are also the directors of the charity for the purpose of company law, served during the year and up to the date the financial statements were signed.

Lord Victor Adebawale, Chair

Sir Andrew Cash, Vice Chair

Dr Graham Jackson (resigned 1 December 2021)

Jennifer Ruth Poole

Prof Joseph Harrison

Mark Spencer (resigned 28 June 2021)

Michael Bloomfield

Nanda Ratnavel

Paul Jenkins (resigned 7 March 2022)

Prem Singh, Senior Independent Trustee (resigned 25 March 2022)

Prof. Vivienne Harpwood (Burnet)

Dame Gill Morgan (appointed 15 July 2021, resigned 22 February 2022)

Valerie Morton (appointed 15 July 2021)

Marie Gabriel (appointed 15 July 2021)

Dr Pramit Patel (appointed 14 October 2021)

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

Dame Jackie Daniel (appointed 24 March 2022)

Ifti Majid (appointed 24 March 2022)

Charles David Skinner (appointed 24 March 2022)

Dr Peta Foxall, Senior Independent Trustee (appointed 24 March 2022)

#### **Attendance of trustees at NHS Confederation board meetings**

The board of trustees formally met on 20 May 2021, 15 July 2021, 14 October 2021, 9 December 2021, and 24 March 2022. The attendance record from formal board meetings is as shown below.

| Name                                       | Attendance |
|--|------------|
| Lord Victor Adebowale, Chair               | 5/5        |
| Sir Andrew Cash, Vice Chair                | 4/5        |
| Dr Graham Jackson                          | 1/3        |
| Jennifer Ruth Poole                        | 4/5        |
| Prof Joseph Harrison                       | 4/5        |
| Mark Spencer                               | 0/1        |
| Michael Bloomfield                         | 3/5        |
| Nanda Ratnavel                             | 4/5        |
| Paul Jenkins                               | 2/4        |
| Prem Singh, Senior Independent Trustee     | 2/5        |
| Prof. Vivienne Harpwood                    | 5/5        |
| Dame Gill Morgan                           | 3/3        |
| Valerie Morton                             | 4/4        |
| Marie Gabriel                              | 3/4        |
| Dr Prमित Patel                             | 3/3        |
| Dame Jackie Daniel                         | n/a        |
| Ifti Majid                                 | n/a        |
| Charles David Skinner                      | n/a        |
| Dr Peta Foxall, Senior Independent Trustee | n/a        |

#### **Scheme of delegation**

A scheme of delegation lays out trustees' responsibilities, and those delegated to the board's subcommittees, senior management, and staff. This, together with a full set of operational policies and procedures, determines the conduct of senior management and other employees.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### Committees of the board

The board had three sub-committees in 2021/22: the audit and risk committee (known until December 2021 as the audit committee), the remuneration committee, and the finance and operations committee.

The audit and risk committee is comprised of three trustees and two independent members and is responsible for advising the board on the charity's annual accounts, including compliance with statutory and other legal requirements, the oversight of risk and the associated control structure, and for managing the relationship with internal and external auditors.

#### Audit and risk committee attendance record

|  |     |
|--|-----|
| Nanda Ratnavel, Chair of Audit and Risk Committee              | 4/4 |
| Paul Jenkins, Trustee Committee Member (resigned 7 March 2022) | 1/4 |
| Michael Bloomfield, Trustee Committee Member                   | 4/4 |
| Mark Stevenson, Independent Committee Member                   | 4/4 |
| Liz May, Independent Committee Member                          | 2/4 |
| Peta Foxall, Trustee Committee Member (appointed May 2022)     | n/a |

The remuneration committee is comprised of at least four trustees. It is responsible for determining the executive pay framework and agreeing specific recommendations relating to executive pay; determining the policy for and scope of the annual cost-of-living or performance-related award for all NHS Confederation staff, and ensuring that application of this remuneration policy is equitable, fair and transparent; ensuring that contractual terms on termination and any payments made are fair to the individual and the organisation and that failure is not rewarded; and reviewing remuneration trends across the organisation.

#### Remuneration committee attendance record

|  |     |
|--|-----|
| Valerie Morton, Chair of Remuneration Committee (from 6 July 2021)     | 3/3 |
| Dr Graham Jackson, Trustee Committee Member (resigned 1 December 2021) | 1/2 |
| Prof Joseph Harrison, Trustee Committee Member                         | 2/3 |
| Marie Gabriel, Trustee Committee Member (from 9 December 2021)         | 1/1 |

The finance and operations committee is comprised of at least three members, the majority of which are trustees. Its remit is to give the board a closer and clearer understanding of the charity's core financial and operational processes, while ensuring the regular review of its financial performance, delivery of infrastructure projects, and adequacy of insurance cover. The committee also advise the board on the charity's investment strategy. To ensure that the work of the finance sub-committees is aligned, the chair of the audit and risk committee is also be a member of the finance and operations committee.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### Finance and operations committee attendance record

|  |     |
|--|-----|
| Prem Singh, Chair of finance and operations committee (resigned 25 March 2022)     | 4/4 |
| Nanda Ratnavel, Trustee committee member/Chair of audit and risk committee         | 3/4 |
| Suneet Kumar, independent committee member   | 4/4 |
| David Skinner, Chair of finance and operations committee (appointed 25 March 2022) | N/a |

#### Network and country boards

In accordance with the existing articles of association, scheme of delegation, the board delegates specific powers to the boards of the networks and countries, which entitles them to manage their own affairs subject to the reasonable requirement of the trustees.

#### Pensions and remuneration package

The organisation operates three pension schemes.

The organisation operates a Scottish Widows salary exchange defined contribution pension scheme. The organisation contributes 6 per cent with staff contributing a minimum of 3 per cent. For a small number of staff who were in the scheme prior to auto enrolment in 2012 the organisation contributes 9 per cent with staff contributing a minimum of 6 per cent. There are also a range of other benefits available to all employees including flexible working; non-contributory life assurance cover; season ticket loans; childcare vouchers and a cycle-to-work scheme (via a salary sacrifice scheme).

The NHS Confederation (through a direction body agreement) maintains access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Schemes for staff who are recruited from these sectors (or are employed on protected terms) and already contribute to these defined benefit schemes. The organisation contributes 14.38 per cent to the NHS Pension Scheme and 20.9 per cent to 24.5 per cent to the Civil Service Scheme. 39 staff are on the NHS Pension Scheme and 6 are in the Civil Service Scheme.

#### Chief executive and director pay

The remuneration committee is responsible for setting the pay for the chief executive and directors. A framework based on the Korn Ferry job evaluation methodology is used to determine the range of director and chief executive pay and total remuneration is agreed by the remuneration committee.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### Related parties

Dr Graham Jackson's (a trustee to December 2021) GP partnership, Whitehill Surgery, was recompensed for his time spent working for NHS Clinical Commissioners to allow them to backfill his time away from practice business and direct patient care. Dr Jackson was also paid directly for consultancy services for up to 90 days per year. This was established in accordance with the organisation's Trustee Remuneration Policy where the board of trustees, excluding the trustee in question, must satisfy themselves that the payment is justified and compliant with Charity Commission regulations.

Dr Pramit Patel's (a trustee) GP Partnership, Greystone House Surgery, was recompensed for his time working for the PCN Network to allow them to backfill his time away from practice business and direct patient care, in accordance with the trustee remuneration policy

Marie Gabriel, a trustee, is remunerated through monthly payments for her term as chair of the Race and Health Observatory, again in accordance with the Trustee Remuneration Policy.

The NHS Confederation is the sole controller of the trading subsidiary The NHS Confederation (Services) Company Limited, registered company number 05252407. The company exists to provide a range of non-charitable activities on behalf of the NHS Confederation, including:

- organising and delivering the NHS Confederation annual conference and exhibition
- a range of other conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties
- entering into joint ventures or similar.

The directors of the subsidiary company are Jennifer Ruth Poole (chair of the subsidiary board and charity trustee), Matthew Taylor (subsidiary board director, and CEO of the charity appointed 8 July 2021), John O'Brien (subsidiary board director and commercial director of the charity) and Nikki Barraclough (subsidiary board director and Director of Finance & IT at the Charity). On 24 March 2022, Zoe Bedford was appointed as a non-executive director of the subsidiary. Daniel Mortimer (subsidiary board director) resigned on 8 July 2021 and Jonathan Morris (non-executive director) resigned on 27 September 2021.

The NHS Confederation has no financial or controlling interest in any other organisation.

Certain costs incurred by the charity are recharged to the subsidiary reflecting an estimation of their usage. The methodology for this recharge is agreed by both parties as part of the budget setting process each year.

#### Trustee remuneration

In accordance with the articles of association and consent from the Charity Commission, the NHS Confederation chair/ interim chair is remunerated at £50,000 per annum for eight to ten days per month. The senior independent trustee is responsible for liaising with the other trustees to set the annual objectives for the chair and for reviewing performance annually.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2022

---

As detailed above in related parties, an agreement was in place with Dr Graham Jackson's practice, Whitehill Surgery, (until his resignation) to provide recompense for his time spent as chair of NHS Clinical Commissioners; and a similar agreement is in place with Dr Pramit Patel's practice, Greystone House Surgery, to provide recompense for his time spent as chair of the PCN Network.

Dr Jackson was paid directly for his consultancy work with the PCN and ICS Networks. Dr Jackson's contract ended during the financial year.

No other trustees received remuneration for their services.

Trustees incurred the following travel, accommodation and subsistence expenses while on NHS Confederation business in 2021/22:

Sir Andrew Cash: £177.33

Valerie Morton: £67.05

Dr Peta Foxall (appointed March 2022): £62.55

#### **Governance review and Charity Governance Code**

Trustees conducted a governance review that concluded in June 2021 with the adoption of new Articles and Byelaws. Trustees are committed to conducting a board effectiveness review later in 2022/23.

The NHS Confederation also undertook an internal audit of its governance practices in autumn 2021 and as a result, in March 2022, trustees formally adopted the Charity Governance Code.

#### **Risk management and board assurance**

The trustees of the NHS Confederation are aware of their responsibilities relating to risk management under the requirements of the Statement of Recommended Practice for Accounting and reporting by Charities (SORP).

The trustees are responsible for considering the strategic risks, which are documented on a risk register that evaluates the residual risk (post-mitigating action) against the risk appetite set by the trustees. The register also contains the board assurance framework, outlining three lines of 'defence' in providing assurance. Trustees revisit and set the risk appetite annually.

The register and the mitigating actions are reviewed at every meeting of the audit and risk committee to ensure the actions are having the desired impact and that the risk is therefore at an acceptable level. The chief executive attends these meetings to report on corporate risks. At an operational level, operational risks are considered within departments and mitigated against. Trustees have set a clear Risk Policy, revised in March 2022, which is underpinned by risk management practices across the organisation.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

The risk register outlines 13 strategic risks, with the principal risks being summarised as:

| Risk  | Mitigation and assurance  |
|---|---|
| Loss of, or significant reduction in, major contracts                                       | Effective relationship and contract management<br>Implementation of commercial and income strategy to develop new income streams<br>Formal contract management meetings<br>Governance and reporting on programmes<br>Regular financial forecasting<br>Governance level oversight of all key income activity       |
| Loss of, or significant reduction in, membership  | Effective relationship management and member engagement<br>Membership insights and effective renewal management<br>Member engagement<br>Effective CRM to support relationship management and insights<br>Commercial and income strategy<br>Membership audit planned for Autumn 2022                               |
| The impact of COVID-19 and the ability to deliver the ConfedExpo and Horizon event function | Content panel, clear targets for sponsorship and exhibition<br>Contingency for returning to virtual events<br>Horizon has developed COVID-19-secure events and virtual studio offer<br>Effective marketing plans and relationship management<br>Regular budget reforecasting and monitoring financial performance |

#### Data protection

The NHS Confederation is fully committed to meeting requirements of the Data Protection Act 2018 and the UK General Data Protection Regulation 2021. Mandatory data protection training for staff and trustees is delivered through an e-learning module and compliance reports on data breaches and subject access requests are provided to the audit committee at each of its meetings.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

---

### Finance review

#### Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan (which moves from a breakeven budget in year one (2022/23), to surpluses in years two (2023/24) and three (2024/25)), forecast data, and a 12-month forward-looking cash flow. Our membership income remains robust, the new membership offer in England was successfully launched April 2021 and new paying membership schemes for primary care and ICSs launched April 2022. Contract income is stable and commercial income opportunities are budgeted to increase as our conference and event activity increases. The organisation has a strong cash balance and holds healthy reserves.

#### Income and expenditure

Income for the year increased by £2.6 million to £17.6 million (2021: £15.0 million) due to increased income across all key income streams (membership, contracts and grants, and commercial income).

Expenditure for the year was £16.6 million (2021: £15.2 million). The increase is due to delivering more events, and costs increasing for membership offer and contract delivery. The operating surplus for the year was £1.1 million (2021: £0.7 million) which includes the investment gains.

#### Reserves policy

The target for free reserves continues to be based on the closure costs for the organisation, the calculation of which is reviewed annually by trustees. The target range for reserves is £4.9 million to £6.3 million. At 31 March 2022, the total funds balance stood at £9.4 million (2021: £8.3 million), with the amount of free reserves (those not represented by fixed assets) standing at £9.0 million (2021: £7.7 million). This is higher than the range stated in our reserves policy. The reserves balance has increased over recent years due to better than budgeted financial results. The 2022/23 delivery plan includes spending of £0.3 million from reserves on new projects. This high reserves balance needs to be viewed in light of the upcoming financial risk of potential loss of contract income linked to a large contract with an end date of March 2023. It is likely some reserves will be needed to facilitate a smooth change process in the event that funding is reduced. Further consideration will be given as to how best to use the available reserves balance in future years to bring it more in line with policy. Management are working on developing proposals, which will be presented to trustees in 22/23, to designate funds from reserves for high-impact projects.

#### Investment policy

The trustees determine that the objective of holding the investment portfolio is to secure a balance between income and long-term capital growth, achieving total returns in real terms over a five-to-seven-year timeframe. The portfolio is currently managed by Sarasin & Partners LLP, a firm of investment managers, and the funds have been invested in the Sarasin Endowment Fund and the Sarasin Income and Reserves Fund. The Finance and Operations Committee continues to review the investment policy and objectives and the performance of the investment portfolio.

# THE NHS CONFEDERATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

---

As a charity that is closely associated with the NHS and health generally, careful consideration is given to ethical factors in the choice of investments. Where it is felt that an investment conflicts with the charity's objective of promoting better healthcare, no investment will be made: e.g. tobacco companies. Similarly, investments will not be made in any companies involved in controversial industries such as armaments, gambling, alcohol, or pornography.. Discretion may be exercised where the core business of a company is consistent with our ethical position e.g. a supermarket selling a wide range of products, including tobacco. The investment fund manager will be tasked with providing regular updates to the finance and operations committee on its compliance with the agreed ethical guidelines.

The investment portfolio achieved growth of £0.1 million for 2021/22 in a very volatile market. The investments also generated £143,444 of investment income. At the end of this financial year, the investment portfolio was valued at £5.23 million (2021: £5.16 million). It is likely that surplus cash will be invested into the portfolio in the 2022/23 financial year.

The trustees recognise and accept the risks involved in making investments in order to generate capital growth to protect the funds against inflation, as well as providing a modest income.

### **Qualifying third party indemnity provisions**

The charitable company has made qualifying third-party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

### **Auditor**

In accordance with the existing articles of association, a resolution proposing that BHP LLP be appointed as auditor of the company was put to a general meeting of members on 28 July 2022, following a robust tender process. RSM UK Audit LLP remain the auditors for this 2021/22 financial year, with BHP LLP taking over from August 2022.

### **Statement of disclosure to auditor**

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each trustee has taken all the necessary steps to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The trustees' report is prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006 and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the board of trustees on 28<sup>th</sup> July 2022 and signed on their behalf by:

Signed: *Victor Adebowale*  
Victor Adebowale (Jul 28, 2022 16:52 GMT+1)

Name: Victor Adebowale  
Trustee

# **THE NHS CONFEDERATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 MARCH 2022**

---

The trustees, who are also directors of The NHS Confederation for the purpose of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### Opinion

We have audited the financial statements of The NHS Confederation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities incorporating the Income and Expenditure account, Consolidated Balance Sheet, Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### **Other information**

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **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 the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the parent charitable company's governing document and employment tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

Enquiries were made of management and Trustees, and minutes of Trustees meetings were reviewed, in relation to laws and regulations where non-compliance could have an indirect impact on the financial statements.

The group audit engagement team identified the risk of management override of controls and income recognition in respect of completeness and cut off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed regarding the risk of management override of controls included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. Audit procedures performed regarding the risk of incorrect revenue recognition included ensuring that the group's accounting policies were correctly applied, challenging key judgments and estimates and agreeing income to third party documentation to ensure the revenue was recorded in the correct period.

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

# THE NHS CONFEDERATION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Lucy Robson*

Lucy Robson (Jul 29, 2022 12:45 GMT+1)

LUCY ROBSON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Central Square

5<sup>th</sup> Floor

29 Wellington Street

Leeds

LS1 4DL

Date: Jul 29, 2022

**THE NHS CONFEDERATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

|                                    | Notes | Unrestricted<br>Funds 2022<br>£ | Restricted<br>Funds 2022<br>£ | Total Funds<br>2022<br>£ | Total Funds<br>2021<br>£ |
|------------------------------------|-------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income from:</b>                |       |                                 |                               |                          |                          |
| Charitable activities              | 3     | 15,552,256                      | 193,230                       | 15,745,486               | 14,296,809               |
| Other trading activities           | 4     | 1,240,465                       | –                             | 1,240,465                | 473,233                  |
| Investments                        |       | 143,444                         | –                             | 143,444                  | 173,049                  |
| Exceptional income                 | 8     | 500,000                         | –                             | 500,000                  | –                        |
| Other income                       |       | 12,288                          | –                             | 12,288                   | 102,685                  |
| <b>Total income</b>                |       | <b>17,448,453</b>               | <b>193,230</b>                | <b>17,641,683</b>        | <b>15,045,776</b>        |
| <b>Expenditure on:</b>             |       |                                 |                               |                          |                          |
| Charitable activities              | 5     | 15,203,735                      | 193,230                       | 15,396,965               | 14,179,773               |
| Other trading activities           | 7     | 1,180,553                       | –                             | 1,180,553                | 1,031,765                |
| <b>Total expenditure</b>           |       | <b>16,384,288</b>               | <b>193,230</b>                | <b>16,577,518</b>        | <b>15,211,538</b>        |
| Net gains on investments           |       | 66,525                          | –                             | 66,525                   | 911,770                  |
| <b>Net income</b>                  |       | <b>1,130,690</b>                | <b>–</b>                      | <b>1,130,690</b>         | <b>746,008</b>           |
| <b>Net movement in funds</b>       |       | <b>1,130,690</b>                | <b>–</b>                      | <b>1,130,690</b>         | <b>746,008</b>           |
| Total funds brought forward        |       | 8,312,020                       | –                             | 8,312,020                | 7,566,012                |
| <b>Total funds carried forward</b> |       | <b>9,442,710</b>                | <b>–</b>                      | <b>9,442,710</b>         | <b>8,312,020</b>         |

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

|   | Notes | 2022             |                  | 2021             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 12    |                  | 82,288           |                  | 97,438           |
| Tangible fixed assets                                 | 13    |                  | 313,576          |                  | 480,135          |
| Investments   | 14    |                  | <u>5,227,337</u> |                  | <u>5,160,812</u> |
|   |       |                  | 5,623,201        |                  | 5,738,385        |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 15    | 6,449,244        |                  | 3,599,490        |                  |
| Cash at bank  |       | <u>8,047,312</u> |                  | <u>5,298,836</u> |                  |
|   |       | 14,496,556       |                  | 8,898,326        |                  |
| <b>Creditors: amounts falling due within one year</b> | 16    | (10,677,047)     |                  | (6,324,690)      |                  |
| Net current assets                                    |       |                  | <u>3,819,509</u> |                  | <u>2,573,635</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>9,442,710</u> |                  | <u>8,312,020</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 395,864          |                  | 577,572          |                  |
| General unrestricted funds                            |       | 9,046,846        |                  | 7,734,448        |                  |
| <b>Total funds</b>                                    | 19    |                  | <u>9,442,710</u> |                  | <u>8,312,020</u> |

The notes on pages 45-69 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 28 July 2022 and are signed on their behalf.

Signed: Victor Adebowale  
Victor.Adebowale (Jul 28, 2022 16:52 GMT+1) .....

Name: Victor Adebowale .....

Trustee

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CHARITY BALANCE SHEET AS AT 31 MARCH 2022

|   | Notes | 2022             |                  | 2021             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 12    |                  | 82,288           |                  | 97,438           |
| Tangible fixed assets                                 | 13    |                  | 313,576          |                  | 480,135          |
| Investments   | 14    |                  | <u>5,227,337</u> |                  | <u>5,160,812</u> |
|   |       |                  | 5,623,201        |                  | 5,738,385        |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 15    | 5,866,455        |                  | 3,564,484        |                  |
| Cash at bank  |       | <u>6,673,312</u> |                  | <u>4,930,318</u> |                  |
|   |       | 12,539,767       |                  | 8,494,802        |                  |
| <b>Creditors: amounts falling due within one year</b> | 16    | (9,626,816)      |                  | (5,923,549)      |                  |
| Net current assets                                    |       |                  | <u>2,912,951</u> |                  | <u>2,571,253</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>8,536,152</u> |                  | <u>8,309,638</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 395,864          |                  | 577,572          |                  |
| General unrestricted funds                            |       | 8,140,288        |                  | 7,732,066        |                  |
| <b>Total funds</b>                                    | 19    |                  | <u>8,536,152</u> |                  | <u>8,309,638</u> |

The charitable company's gross income for the year was £15,916,073 (2021 - £14,573,121) and result for the year was a net increase in funds of £226,514 (2021 – net increase of £1,218,030)

The notes on pages 45-69 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 28 July 2022 and are signed on their behalf.

Signed: Victor Adebowale  
Victor Adebowale (Jul 28, 2022 16:52 GMT+1)

Name: Victor Adebowale

Trustee

**THE NHS CONFEDERATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

|   | Notes | 2022      |   | 2021      |   |
|---|-------|-----------|---|-----------|---|
|   |       | £         | £ | £         | £ |
| <b>Cash flows from operating activities</b>           |       |           |   |           |   |
| Cash generated from operations                        | 21    | 2,608,412 |   | 2,531,159 |   |
| <b>Net cash inflow from operating activities</b>      |       | 2,608,412 |   | 2,531,159 |   |
| <b>Cash flows from investing activities</b>           |       |           |   |           |   |
| Purchase of intangible fixed assets                   |       | (3,380)   |   | (97,438)  |   |
| Proceeds from sale of investments                     |       | –         |   | 1,300,000 |   |
| Interest received                                     |       | 143,444   |   | 173,049   |   |
| <b>Net cash generated from investing activities</b>   |       | 140,064   |   | 1,375,611 |   |
| <b>Net increase in cash and cash equivalents</b>      |       | 2,748,476 |   | 3,906,770 |   |
| <b>Cash and cash equivalents at beginning of year</b> |       | 5,298,836 |   | 1,392,066 |   |
| <b>Cash and cash equivalents at end of year</b>       |       | 8,047,312 |   | 5,298,836 |   |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### 1. Accounting policies

#### Charity information

The NHS Confederation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ. The principal activities of the group are noted on page 5.

#### Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value.

#### Parent statement of financial activities

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities as it prepares group accounts and the charitable company's individual balance sheet shows its gross income and result for the year.

#### Reduced disclosures

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charitable company, which are intended to give a true and fair view of the assets, liabilities, financial position, and movement in group funds. The charitable company has therefore taken advantage of exemptions from the following disclosure requirements for charitable company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

#### Basis of consolidation

The consolidated financial statements incorporate those of the NHS Confederation and its subsidiary The NHS Confederation (Services) Company Limited (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### Accounting policies (Continued)

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

### Going concern

The group had a net increase in funds during the year of £1,130,690 (2021: net increase of £746,008) At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan, forecast data and a 12-month, forward-looking cash flow. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

### Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable, net of discounts and value added tax.

### Membership subscriptions

Income is all recognised in the first month of the financial year in which it relates to. Our membership period runs in line with our financial year, April to March.

### Contract income

Income is recognised based on delivery under the terms of the contract. Where contracts span more than one year, revenue is recognised based on costs incurred or using a percentage of work delivered, whichever method is deemed more appropriate.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### Accounting policies (Continued)

#### Events, sponsorship, exhibition, and delegate income

Income is recognised at the date of the event.

#### Grant income

Grant income is recognised when the charity has entitlement to the funds and is recorded in accordance with the grant terms.

#### Deferred income

Income invoiced in advance is accounted for as deferred income in the Balance Sheet and released to the Statement of Financial Activities in the year in which it relates. Deferred income will also arise when work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

#### Government grants

Government grants have been received in the year relating to the Government Coronavirus Job Retention Scheme ('Furlough'). These are recognised in "Other Income" within Income & Expenditure in the same period as the related expenditure.

#### Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure and the amount can be measured or estimated reliably.

All expenditure is accounted for on an accrual basis and is classified under headings that aggregate all costs related to each category of expenses shown in the Statement of Financial Activities.

Expenditure on charitable activities comprises those costs incurred influencing on behalf of our members, representing NHS organisations on workforce issues, and bringing those organisations and members together to share learning. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, IT, human resources, office accommodation, and governance costs which support the charity programmes and activities. They are allocated based on direct costs of each activity as a percentage of total direct costs.

Expenditure is shown net of VAT but includes any irrecoverable VAT, which is charged against the category of expenses for which it was incurred.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is constructive obligation to make a payment. Where grants are awarded with conditions attached, these must be met before the liability is recognised.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### Accounting policies (Continued)

#### Intangible fixed assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                    |                   |
|--------------------|-------------------|
| System development | 20% straight line |
|--------------------|-------------------|

Intangible assets are derecognised from the balance sheet on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an intangible asset is recognised in net income/(expenditure) for the year.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Individual assets with a value of less than £2,000 are not capitalised but charged to expenditure in the year of purchase.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                                   |   |
|-----------------------------------|---|
| Furniture, fixtures, and fittings | 40% straight line or over the term of the lease |
|-----------------------------------|---|

|                              |                   |
|------------------------------|-------------------|
| Computer and other equipment | 33% straight line |
|------------------------------|-------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value (market value) at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

#### Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### Cash and cash equivalents

Cash and cash equivalents comprise funds held in current and instant access deposit bank accounts.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### Accounting policies (Continued)

#### Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include trade debtors, other debtors, accrued income, amounts due from fellow group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure).

#### Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### Accounting policies (Continued)

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### **Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**Accounting policies (Continued)**

**Multi-employer plans**

The charity participates in two multi-employer pension schemes for its employees, as outlined in note 19. For both schemes there is insufficient information to use defined benefit accounting, they are therefore treated as defined contribution schemes for accounting purposes and the contributions recognised in the period to which they relate.

**Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

**Agency arrangements**

The charity acts as an agent for the NI Public Sector Chairs forum. Related receipts and subsequent payments are excluded from the Statement of Financial Activities to the extent that the charity does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included in creditors.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### **2. Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### **Revenue recognition**

Revenue received during the year for contracts is recognised based on the contract price (net of VAT) and on agreement with the customer that the services have been provided in line with the specification. Where contracts are part completed at the year-end date, revenue is recognised by measuring costs incurred to date and with reference to progress against contract deliverables. In this instance, deferred income arises on agreement with the customer that work may be delivered in the following year.

#### **Key sources of estimation uncertainty**

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### **Impairment of debtors**

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the trustees consider factors including the ageing profile of the debtor. See note 15 for the net carrying amount of the debtors.

#### **Useful economic lives of intangible and tangible assets**

The annual amortisation charge for intangible assets and the annual depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See notes 12 and 13 for the carrying amount of the intangible and tangible fixed assets and note 1 for the useful economic lives for each class of assets.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**3. Income from charitable activities**

|                           | <b>2022</b>       | <b>2021</b>       |
|---------------------------|-------------------|-------------------|
|                           | <b>£</b>          | <b>£</b>          |
| Membership subscriptions  | 3,220,555         | 2,811,806         |
| Contract delivery         | 11,614,371        | 10,967,139        |
| Grant income              | 193,230           | 139,943           |
| Conference centre income  | 307,779           | 76,812            |
| Training and other income | 409,551           | 301,109           |
|                           | <u>15,745,486</u> | <u>14,296,809</u> |

Grant income of £193,230 (2021: £139,943) is classed as restricted income in this financial year. All other income from charitable activities is classed as unrestricted income in both years.

**4. Income from other trading activities**

|                          | <b>2022</b>      | <b>2021</b>    |
|--------------------------|------------------|----------------|
|                          | <b>£</b>         | <b>£</b>       |
| Publications income      | 11,163           | 3,496          |
| Audio visual income      | –                | 1,569          |
| Membership subscriptions | 61,413           | 41,258         |
| Events and partnerships  | 1,167,889        | 387,911        |
| Contract delivery        | –                | 39,000         |
|                          | <u>1,240,465</u> | <u>473,233</u> |

All income from trading activities is classed as unrestricted income in both years.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**5. Expenditure on charitable activities**

|                             | Direct costs<br>£ | Support costs<br>£ | Total 2022<br>£   | Total 2021<br>£   |
|-----------------------------|-------------------|--------------------|-------------------|-------------------|
| Membership subscriptions    | 2,497,317         | 518,017            | 3,015,334         | 3,680,807         |
| Events and partnerships     | 43,882            | 9,102              | 52,984            | 185,786           |
| Contract delivery           | 9,545,550         | 1,980,029          | 11,525,579        | 9,698,546         |
| Grants                      | 193,230           | –                  | 193,230           | 139,943           |
| Conference centre           | 418,532           | 86,816             | 505,348           | 359,502           |
| Training and other activity | 86,539            | 17,951             | 104,490           | –                 |
| Digital expenditure         | –                 | –                  | –                 | 115,189           |
|                             | <u>12,785,050</u> | <u>2,611,915</u>   | <u>15,396,965</u> | <u>14,179,773</u> |

Expenditure of £193,230 (2021: £139,943) is classed as restricted in the year. All other expenditure on charitable activities is classed as unrestricted expenditure in both years.

**6. Support costs**

|                        | 2022<br>£        | 2021<br>£        |
|------------------------|------------------|------------------|
| Management             | 489,336          | 798,969          |
| Governance costs       | 213,076          | 87,068           |
| Finance                | 327,100          | 262,090          |
| Information technology | 345,629          | 480,065          |
| Human resources        | 410,969          | 399,882          |
| Accommodation          | 825,805          | 852,004          |
|                        | <u>2,611,915</u> | <u>2,880,078</u> |

Support costs are allocated based on direct costs of each activity as a percentage of total direct costs.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7. Expenditure on other trading activities**

|                               | <b>2022</b>      | <b>2021</b>      |
|-------------------------------|------------------|------------------|
|                               | <b>£</b>         | <b>£</b>         |
| Membership subscriptions      | 749              | –                |
| Publications expenditure      | 3,312            | 1,062            |
| Audio visual expenditure      | 78               | 615              |
| Events and partnerships       | 1,008,701        | 867,579          |
| Other administrative expenses | 167,713          | 162,509          |
|                               | <u>1,180,553</u> | <u>1,031,765</u> |

All expenditure on trading activities is classed as unrestricted expenditure in both years.

**8. Exceptional items**

An amount of £500,000 has been disclosed on the face of the Statement of Financial Activities, relating to the sale of a company in which the NHS Confederation (Services) Company Limited held a financial interest.

**9. Net movement in funds**

|  | <b>2022</b>   | <b>2021</b>   |
|--|---------------|---------------|
|  | <b>£</b>      | <b>£</b>      |
| Net movement in funds is stated after recognising  |               |               |
| Fees payable to the company's auditor and its associates in respect of both audit and non-audit services are as follows: |               |               |
| - Audit  | 52,017        | 50,024        |
| - Other non-audit services   | 10,596        | 2,629         |
| Depreciation of owned tangible fixed assets  | 166,558       | 201,976       |
| Amortisation of intangible fixed assets  | 18,530        | –             |
| Operating lease charges  | 570,244       | 555,478       |
| Government grant income  | <u>12,288</u> | <u>95,495</u> |

The Government grant income above for both years relates to money claimed through the Coronavirus Job Retention Scheme.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**10. Trustees**

During the year, The NHS Confederation chair Victor Adebowale was remunerated £50,000 (2021: £46,591) in accordance with the articles of association and the permission granted by the Charity Commission. Graham Jackson received remuneration of £45,953 (2021: £63,763) for consultancy services provided to the charity, which is separate from their activities as a trustee (resigned 1 December 2021). Marie Gabriel, a trustee, was remunerated £20,000 (2021: £13,696) for their work as chair of the Race and Health Observatory.

Expenses incurred on behalf of the charitable company and reimbursed to three trustees during the year amounted to £307 (2021: £nil), relating to travel.

No pension contributions were made on behalf of any of the trustees.

**11. Employees**

**Number of employees**

The average monthly number of employees during the year was:

| <b>2022</b>   | <b>2021</b>   |
|---------------|---------------|
| <b>Number</b> | <b>Number</b> |
| 210           | 210           |

**Employment costs**

|                       | <b>2022</b>       | <b>2021</b>       |
|-----------------------|-------------------|-------------------|
|                       | <b>£</b>          | <b>£</b>          |
| Wages and salaries    | 9,481,469         | 9,174,230         |
| Social security costs | 991,338           | 990,568           |
| Pension costs         | 798,375           | 786,213           |
|                       | <u>11,271,182</u> | <u>10,951,011</u> |

Wages and salaries includes seconded and agency staff of £304,726 (2021 - £157,167).

During the year, termination payments were paid to 2 employees (2021: nil employees) totalling to £120,000 (2021: £nil).

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**11. Employees (Continued)**

The number of employees whose annual remuneration was £60,000 or more were:

|                   | <b>2022</b>   | <b>2021</b>   |
|-------------------|---------------|---------------|
|                   | <b>Number</b> | <b>Number</b> |
| £170,000-£179,999 | –             | 1             |
| £160,000-£169,999 | 2             | –             |
| £150,000-£159,999 | –             | –             |
| £140,000-£149,999 | –             | 1             |
| £130,000-£139,999 | 2             | 1             |
| £120,000-£129,999 | 2             | 2             |
| £110,000-£119,999 | 1             | 3             |
| £100,000-£109,999 | 2             | 1             |
| £90,000-£99,999   | 3             | 1             |
| £80,000-£89,999   | 4             | 4             |
| £70,000-£79,999   | 6             | 7             |
| £60,000-£69,999   | 16            | 18            |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**12. Intangible fixed assets**

**Group and charity**

|                              | <b>System<br/>Development<br/>£</b> | <b>Total<br/>£</b> |
|------------------------------|-------------------------------------|--------------------|
| <b>Cost</b>                  |                                     |                    |
| At 1 April 2021              | 97,438                              | 97,438             |
| Additions                    | 3,380                               | 3,380              |
| Disposals                    | —                                   | —                  |
| At 31 March 2022             | <u>100,818</u>                      | <u>100,818</u>     |
| <b>Amortisation</b>          |                                     |                    |
| At 1 April 2021              | —                                   | —                  |
| Amortisation charged in year | <u>18,530</u>                       | <u>18,530</u>      |
| At 31 March 2022             | <u>18,530</u>                       | <u>18,530</u>      |
| <b>Carrying amount</b>       |                                     |                    |
| At 31 March 2022             | <u>82,288</u>                       | <u>82,288</u>      |
| At 31 March 2021             | <u>97,438</u>                       | <u>97,438</u>      |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13. Tangible fixed assets**

**Group and charity**

|                              | <b>Furniture,<br/>fixtures and<br/>fittings<br/>£</b> | <b>Computer<br/>and other<br/>equipment<br/>£</b> | <b>Total<br/>£</b> |
|------------------------------|---|---|--------------------|
| <b>Cost</b>                  |   |   |                    |
| At 1 April 2021              | 743,530   | 45,281  | 788,811            |
| Additions                    | –   | –   | –                  |
| Disposals                    | –   | (31,244)  | (31,244)           |
| At 31 March 2022             | <u>743,530</u>  | <u>14,037</u>                                     | <u>757,567</u>     |
| <b>Depreciation</b>          |   |   |                    |
| At 1 April 2021              | 266,310   | 42,367  | 308,677            |
| Depreciation charged in year | 163,644   | 2,914   | 166,558            |
| Eliminated on disposal       | –   | (31,244)  | (31,244)           |
| At 31 March 2022             | <u>429,954</u>  | <u>14,037</u>                                     | <u>443,991</u>     |
| <b>Carrying amount</b>       |   |   |                    |
| At 31 March 2022             | <u>313,576</u>  | –   | <u>313,576</u>     |
| At 31 March 2021             | <u>477,220</u>  | <u>2,915</u>                                      | <u>480,135</u>     |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**14. Investments**

| <b>Group and charity</b>            | <b>Listed investments</b> |                  |
|-------------------------------------|---------------------------|------------------|
|                                     | <b>£</b>                  |                  |
| <b>Cost or valuation</b>            |                           |                  |
| At 1 April 2021                     |                           | 5,160,812        |
| Valuation changes                   |                           | 66,525           |
| At 31 March 2022                    |                           | <u>5,227,337</u> |
| <b>Carrying amount</b>              |                           |                  |
| At 31 March 2022                    |                           | <u>5,227,337</u> |
| At 1 April 2021                     |                           | <u>5,160,812</u> |
|                                     | <b>2022</b>               | <b>2021</b>      |
|                                     | <b>£</b>                  | <b>£</b>         |
| Investments at fair value comprise: |                           |                  |
| Fixed income                        | 641,832                   | 1,096,408        |
| Equities                            | 3,395,591                 | 3,242,951        |
| Property                            | 262,804                   | 101,336          |
| Alternative investments             | 674,851                   | 412,958          |
| Liquid assets                       | 252,259                   | 307,159          |
|                                     | <u>5,227,337</u>          | <u>5,160,812</u> |

**Fixed asset investments revalued**

At 31 March 2022, the historical cost of investments was £3,200,000 (2021 - £3,200,000) with net gains of £2,027,337 (2021 - £1,960,812).

Valuations are based on bid price at the close of business on the valuation date. Investments are included at their fair value as at the year-end date.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**15. Debtors**

|  | Group            |                  | Charity          |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2022<br>£        | 2021<br>£        | 2022<br>£        | 2021<br>£        |
| <b>Amounts falling due within one year:</b>          |                  |                  |                  |                  |
| Trade debtors  | 5,853,718        | 3,181,277        | 5,247,918        | 3,053,040        |
| Amounts due from fellow group undertakings           | –                | –                | 384,809          | 332,738          |
| Other debtors  | 4,136            | –                | 4,136            | –                |
| Prepayments and accrued income                       | 483,282          | 318,409          | 221,289          | 178,706          |
|  | <u>6,341,136</u> | <u>3,499,686</u> | <u>5,858,152</u> | <u>3,564,484</u> |
| <b>Amounts falling due after more than one year:</b> |                  |                  |                  |                  |
| Prepayments and accrued income                       | 108,108          | 99,804           | 8,303            | –                |
|  | <u>108,108</u>   | <u>99,804</u>    | <u>8,303</u>     | <u>–</u>         |
| <b>Total debtors</b>                                 | <u>6,449,244</u> | <u>3,599,490</u> | <u>5,866,455</u> | <u>3,564,484</u> |

**16. Creditors: amounts falling due within one year**

|                                    | Group             |                  | Charity          |                  |
|------------------------------------|-------------------|------------------|------------------|------------------|
|                                    | 2022<br>£         | 2021<br>£        | 2022<br>£        | 2021<br>£        |
| Trade creditors                    | 586,237           | 142,871          | 393,696          | 135,191          |
| Other taxation and social security | 1,085,673         | 1,325,005        | 1,085,673        | 1,325,005        |
| Other creditors and accruals       | 1,000,495         | 1,059,339        | 995,263          | 1,059,033        |
| Deferred income                    | 8,004,642         | 3,797,475        | 7,152,184        | 3,404,320        |
|                                    | <u>10,677,047</u> | <u>6,324,690</u> | <u>9,626,816</u> | <u>5,923,549</u> |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**17. Deferred income**

Deferred income comprises both income invoiced in advance and instances where work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

|  | <b>Group</b><br><b>£</b> | <b>Charity</b><br><b>£</b> |
|--|--------------------------|----------------------------|
| At 1 April 2021                                      | 3,797,475                | 3,404,320                  |
| Amount released to Statement of Financial Activities | (5,821,460)              | (3,586,987)                |
| Amount deferred in year                              | 10,028,627               | 7,334,851                  |
| At 31 March 2022                                     | <u>8,004,642</u>         | <u>7,152,184</u>           |

**18. Retirement benefits**

The organisation contributes to a number of pension schemes.

The NHS Confederation is able to maintain access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Scheme for staff who are recruited from these sectors and already contribute to these schemes.

The Federated Flexiplan No.1 was a defined benefit pension scheme previously operated. This plan is closed to new members and to future accrual of benefits.

The organisation makes a contribution of either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme (Scottish Widows) for all employees unless they opt out.

Contributions amounting to £112,635 (2021 - £150,382) were payable to the schemes at 31 March 2022 and are included within other creditors and accruals.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**19. Unrestricted funds**

| Group                             | Movement in funds            |   |  |                                   | Balance at 31 March 2022<br>£ |
|-----------------------------------|------------------------------|---|--|-----------------------------------|-------------------------------|
|                                   | Balance at 1 April 2021<br>£ | Movement in tangible and intangible fixed assets<br>£ | Other charitable income and expenditure<br>£ | Revaluation gains and losses<br>£ |                               |
| Funds represented by fixed assets | 577,572                      | (181,708)   | –  | –                                 | 395,864                       |
| General unrestricted funds        | 7,734,448                    | –   | 1,245,873                                    | 66,525                            | 9,046,846                     |
|                                   | <u>8,312,020</u>             | <u>(181,708)</u>                                      | <u>1,245,873</u>                             | <u>66,525</u>                     | <u>9,442,710</u>              |

| Group                             | Movement in funds            |   |  |                                   | Balance at 31 March 2021<br>£ |
|-----------------------------------|------------------------------|---|--|-----------------------------------|-------------------------------|
|                                   | Balance at 1 April 2020<br>£ | Movement in tangible and intangible fixed assets<br>£ | Other charitable income and expenditure<br>£ | Revaluation gains and losses<br>£ |                               |
| Funds represented by fixed assets | 682,110                      | (104,538)   | –  | –                                 | 577,572                       |
| General unrestricted funds        | 6,883,902                    | –   | (61,224)                                     | 911,770                           | 7,734,448                     |
|                                   | <u>7,566,012</u>             | <u>(104,538)</u>                                      | <u>(61,224)</u>                              | <u>911,770</u>                    | <u>8,312,020</u>              |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**19. Unrestricted funds (continued)**

| Charity                              | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2022<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2021<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>losses<br>£ |                                     |
| Funds represented<br>by fixed assets | 577,572                            | (181,708)  | –   | –                                       | 395,864                             |
| General unrestricted<br>funds        | 7,732,066                          | –  | 341,697   | 66,525                                  | 8,140,288                           |
|                                      | <u>8,309,638</u>                   | <u>(181,708)</u>   | <u>341,697</u>  | <u>66,525</u>                           | <u>8,536,152</u>                    |

|                                      | Movement in funds                  |  |   |   | Balance at<br>31 March<br>2021<br>£ |
|--------------------------------------|------------------------------------|--|---|---|-------------------------------------|
|                                      | Balance at<br>1 April<br>2020<br>£ | Movement in<br>tangible and<br>intangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluation<br>gains and<br>losses<br>£ |                                     |
| Funds represented<br>by fixed assets | 682,110                            | (104,538)  | –   | –                                       | 577,572                             |
| General unrestricted<br>funds        | 6,409,498                          | –  | 410,798   | 911,770                                 | 7,732,066                           |
|                                      | <u>7,091,608</u>                   | <u>(104,538)</u>   | <u>410,798</u>  | <u>911,770</u>                          | <u>8,309,638</u>                    |

**20. Restricted funds**

Income relating to restricted funds was received during the year ended 31 March 2022 but had all been spent by the year-end date, meaning balance on restricted funds at this date was nil. Restricted funds related to grants received for a specific purpose, being the enablement of young people into jobs in the NHS (The Prince's Trust) and funding for the EU Joint Action project (Wellcome Trust)

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**21. Cash generated from operations**

|   | <b>2022</b>      | <b>2021</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| Surplus for the year  | 1,130,691        | 746,008          |
| Adjustments for:  |                  |                  |
| Investment income recognised in statement of financial activities | (143,444)        | (173,049)        |
| Fair value gains on investments                                   | (66,525)         | (911,770)        |
| Depreciation of tangible fixed assets                             | 166,558          | 201,975          |
| Amortisation of intangible fixed assets                           | 18,530           | –                |
| Movements in working capital                                      |                  |                  |
| (Increase)/decrease in debtors                                    | (2,780,286)      | 2,519,938        |
| Increase in creditors   | 4,282,888        | 148,057          |
| Cash generated from operations                                    | <u>2,608,412</u> | <u>2,531,159</u> |

**22. Operating leases**

At the reporting end date, the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | <b>2022</b>      | <b>2021</b>      |
|----------------------------|------------------|------------------|
|                            | <b>£</b>         | <b>£</b>         |
| Within one year            | 532,830          | 577,307          |
| Between one and five years | 606,311          | 1,128,443        |
|                            | <u>1,139,141</u> | <u>1,705,750</u> |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**23. Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel, being the CEO and the directors of the various business units, is as follows:

|                        | 2022<br>£        | 2021<br>£        |
|------------------------|------------------|------------------|
| Aggregate compensation | <u>1,691,236</u> | <u>1,604,427</u> |

During the year, the group had the following related party transactions due to a trustee or co-opted committee member (or close relation of) being on the board or an employee of another organisation.

| 2022                                     |                                  | Charity<br>Income | Charity<br>Expense | Subsidiary<br>Income | Charity<br>Debtor | Subsidiary<br>Debtor | Charity<br>Creditor |
|--|----------------------------------|-------------------|--------------------|----------------------|-------------------|----------------------|---------------------|
| Related Party                            | Description of<br>Relationship   | £                 | £                  | £                    | £                 | £                    | £                   |
| Allocate Software Limited                | Trustee is Senior Advisor        | -                 | -                  | 23,500               | -                 | -                    | -                   |
| Derbyshire Community Health Services FT  | Trustee is Chair                 | 8,000             | -                  | -                    | -                 | -                    | -                   |
| Derbyshire Healthcare NHS FT             | Trustee is CEO                   | 10,726            | -                  | 184                  | -                 | -                    | -                   |
| Milton Keynes Hospital NHS FT            | Trustee is CEO                   | 9,200             | -                  | -                    | -                 | -                    | -                   |
| Newcastle Upon Tyne Hospitals NHS FT     | Trustee is CEO                   | 19,500            | -                  | 11,200               | -                 | -                    | -                   |
| Newton Europe Ltd                        | Trustee is Senior Advisor        | -                 | -                  | 36,300               | -                 | -                    | -                   |
| NHS Surrey Heartlands CCG                | Trustee is PCN Leader            | 220,100           | -                  | -                    | -                 | -                    | -                   |
| Northern Ireland Ambulance Service       | Trustee is CEO                   | 5,008             | -                  | 1,087                | -                 | -                    | -                   |
| NHS Charities Together                   | Trustee is Trustee of            | -                 | -                  | 250                  | -                 | -                    | -                   |
| Norfolk and Suffolk NHS Foundation Trust | Trustee is Chair                 | 12,210            | -                  | -                    | -                 | -                    | -                   |
| Royal Devon University Healthcare NHS FT | Trustee is Governor              | 8,600             | -                  | -                    | -                 | -                    | -                   |
| Nuffield Health                          | Chair is Non-Exec Director       | 7,368             | -                  | -                    | -                 | -                    | -                   |
| Powys Teaching Health Board              | Trustee is Chair                 | 35,670            | -                  | 500                  | -                 | -                    | -                   |
| Priory Healthcare                        | Spouse of Trustee is MD          | 8,528             | -                  | -                    | -                 | -                    | -                   |
| Responsible Leadership Foundation Limite | Spouse of CEO is Senior Director | -                 | 8,000              | -                    | -                 | -                    | -                   |
| Rotherham Doncaster & South Humber MHNHS | Spouse of Trustee is CEO         | 10,824            | -                  | -                    | -                 | -                    | -                   |
| Tavistock & Portman NHS Foundation Trust | Trustee is CEO                   | 9,368             | -                  | -                    | -                 | -                    | -                   |
| Welsh Health Specialised Services Commit | Trustee is Chair                 | -                 | -                  | 500                  | -                 | -                    | -                   |
| Yorkshire & Humber AHSN                  | Trustee is Non-Exec Director     | 56,230            | -                  | -                    | -                 | -                    | -                   |
| Whitehill Surgery                        | Trustee is Partner               | -                 | 25,950             | -                    | -                 | -                    | -                   |
| Greystone House Surgery                  | Trustee is Partner               | -                 | 5,850              | -                    | -                 | -                    | 5,850               |

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**23. Related party transactions (continued)**

| 2021   |                                       | Charity | Expense | Subsidiary | Charity |
|--|---------------------------------------|---------|---------|------------|---------|
| Related Party                                    | Description of Relationship           | Income  |         | Income     | Debtor  |
|  |                                       | £       | £       | £          | £       |
| Nuffield Health                                  | Chair is Non-Exec Director            | 9,261   | -       | -          | 6,970   |
| Unique Health Solutions Ltd                      | Chair is Director                     | -       | 6,276   | -          | -       |
| Powys Teaching Health Board                      | Trustee is Chair                      | 35,050  | -       | -          | 39,660  |
| Tavistock and Portman NHS Foundation Trust       | Trustee is Chief Executive            | 9,010   | -       | -          | 9,010   |
| Derbyshire Community Health Services NHS Trust   | Trustee is Chair                      | 6,944   | -       | 75         | -       |
| Rotherham, Doncaster & South Humber NHS FT       | Spouse of Trustee is Chief Executive  | 9,940   | -       | -          | 9,940   |
| Milton Keynes Hospital NHS Trust                 | Trustee is Chief Executive            | 7,543   | -       | -          | 7,543   |
| NI Ambulance Service                             | Trustee is Chief Executive            | 4,539   | -       | -          | 4,539   |
| Calderdale and Huddersfield NHS Foundation Trust | Trustee is Chief Executive            | 8,927   | -       | -          | 8,927   |
| University of Sheffield                          | Trustee is Professor (Visiting Chair) | -       | 9,750   | -          | -       |
| Cardiff University                               | Trustee is Emiratias Professor        | -       | 16,947  | -          | -       |
| Whitehill Surgery Aylesbury                      | Trustee is a partner of the surgery   | -       | 16,650  | -          | -       |
| Allocate Software                                | Trustee is Senior Advisor             | -       | -       | 1,500      | -       |

There are no other related party transactions to disclose.

**THE NHS CONFEDERATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**24. Results and net assets of the subsidiary**

The wholly owned trading subsidiary, The NHS Confederation (Services) Company Limited (company number 05252407) is incorporated in England and Wales and has a registered office address of 2nd Floor, 18 Smith Square, London, SW1P 3HZ. The subsidiary provides a range of non-charitable activities on behalf of The NHS Confederation.

The summary financial performance of the subsidiary alone is:

|  | <b>2022</b>    | <b>2021</b>      |
|--|----------------|------------------|
|  | <b>£</b>       | <b>£</b>         |
| Turnover   | 1,232,125      | 473,235          |
| Cost of sales                                      | (660,236)      | (618,044)        |
| Gross profit/(loss)                                | <u>571,889</u> | <u>(144,809)</u> |
| Administrative expenses                            | (167,713)      | (162,509)        |
| Other operating income                             | –              | 7,189            |
| Other exceptional operating income                 | 500,000        | –                |
| Profit/(loss) before taxation                      | <u>904,176</u> | <u>(300,129)</u> |
| Tax  | –              | –                |
| Profit/(loss) for the financial year               | <u>904,176</u> | <u>(300,129)</u> |
| The assets and liabilities of the subsidiary were: |                |                  |
| Current assets                                     | 2,341,598      | 736,261          |
| Current liabilities                                | (1,435,040)    | (733,879)        |
| Total net assets                                   | <u>906,558</u> | <u>2,382</u>     |
| Aggregate capital and reserves                     | <u>906,558</u> | <u>2,382</u>     |

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### **25. Agency agreement**

The charity acts as an agent for the NI Public Sectors Chairs forum. In the financial year ended 31 March 2022, the charity received £28,785 (2021 - £23,085) and disbursed £26,571 (2021 - £25,491) in its role as agent. An amount of £35,731 (2021 - £33,517) is included in other creditors relating to unrestricted funds held as agent at 31 March 2022.


# Trustees Annual Report and Accounts 21-22 - The NHS Confederation

Final Audit Report

2022-07-29

|                 |  |
|-----------------|--|
| Created:        | 2022-07-28                                   |
| By:             | Contracting Team (contracting@nhsconfed.org) |
| Status:         | Signed                                       |
| Transaction ID: | CBJCHBCAABAAdtAdluFa22CB79fzbYMSRSWOWQj8S8H  |

## "Trustees Annual Report and Accounts 21-22 - The NHS Confed eration" History

 Document created by Contracting Team (contracting@nhsconfed.org)


2022-07-28 - 15:49:24 GMT - IP address: 86.139.54.135

 Document emailed to victor.adebowale@nhsconfed.org for signature

2022-07-28 - 15:50:58 GMT

 Email viewed by victor.adebowale@nhsconfed.org


2022-07-28 - 15:51:36 GMT - IP address: 94.176.132.131

 Signer victor.adebowale@nhsconfed.org changed full name at signing to Victor Adebowale


2022-07-28 - 15:52:03 GMT - IP address: 90.201.13.176

 Document e-signed by Victor Adebowale (victor.adebowale@nhsconfed.org)

Signature Date: 2022-07-28 - 15:52:05 GMT - Time Source: server- IP address: 90.201.13.176

 Document emailed to Lucy Robson (lucy.robson@rsmuk.com) for signature

2022-07-28 - 15:52:07 GMT

 Email viewed by Lucy Robson (lucy.robson@rsmuk.com)

2022-07-28 - 16:25:21 GMT - IP address: 109.154.213.1

 Document e-signed by Lucy Robson (lucy.robson@rsmuk.com)

Signature Date: 2022-07-29 - 11:45:21 GMT - Time Source: server- IP address: 109.154.213.1

 Agreement completed.

2022-07-29 - 11:45:21 GMT

**THE NHS CONFEDERATION**

England & Wales - Charity number 1090329

---

# Accounts

---

Charity Registration No. 1090329  
Company Registration No. 04358614 (England and Wales)

**THE NHS CONFEDERATION  
TRUSTEES' ANNUAL REPORT AND  
ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021**

## THE NHS CONFEDERATION

### LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

---

|                           |   |
|---------------------------|---|
| <b>Trustees</b>           | Lord Victor Adebowale<br>Sir Andrew Cash<br>Dr Graham Jackson<br>Jennifer Ruth Poole<br>Prof Joseph Harrison<br>Dr Mark Spencer<br>Michael Bloomfield<br>Nanda Ratnavel<br>Paul Jenkins<br>Prem Singh<br>Prof Vivienne Burnet |
| <b>Charity number</b>     | 1090329   |
| <b>Company number</b>     | 04358614  |
| <b>Registered office</b>  | 2nd Floor<br>18 Smith Square<br>London SW1P 3HZ   |
| <b>Auditor</b>            | RSM UK Audit LLP<br>Chartered Accountants<br>Central Square<br>5th Floor<br>29 Wellington Street<br>Leeds<br>LS1 4DL  |
| <b>Banker</b>             | Barclays Bank PLC<br>1 Churchill Place<br>London<br>E14 5HP   |
| <b>Solicitors</b>         | Capsticks LLP<br>1 St George's Road<br>Wimbledon<br>London<br>SW19 4DR  |
| <b>Investment adviser</b> | Sarasin and Partners LLP<br>Juxon House<br>100 St Paul's Churchyard<br>London<br>EC4M 8BU   |

## THE NHS CONFEDERATION

### LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

#### Senior executive staff

Matthew Taylor

Chief Executive, NHS Confederation (appointed 7 June 2021)

Danny Mortimer

Deputy Chief Executive, NHS Confederation/Chief Executive NHS Employers (Interim Chief Executive NHS Confederation, 1 October 2020 - 7 June 2021)

Niall Dickson CBE

Chief Executive, NHS Confederation (resigned 30 September 2020)

Daniel Reynolds

Director of Communications

Darren Hughes

Welsh NHS Confederation

Heather Moorhead

Director Northern Ireland Confederation for Health and Social Care

Joan Saddler

Director of Partnerships and Equality

John O'Brien

Commercial Director

Layla McCay

Director of Policy (from 31 March 2021)

Louise Patten

Chief Executive, NHS Clinical Commissioners (from 15 June 2020)

Marie Pritchard

Interim Director of People

Nick Ville

Director of Membership and Policy (resigned 31 March 2021)

Paul Davies

Interim Director of Finance and IT (from 2 July 2020)

## THE NHS CONFEDERATION

### LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

Sean Duggan  
Chief Executive, Mental Health Network

Rebecca Smith  
Interim Managing Director, NHS Employers  
(1 October 2020 – 7 June 2021)

Rohan Hewavisenti  
Director of Finance and Corporate Services  
(resigned 10 July 2020)

Julie Wood  
Chief Executive, NHS Clinical Commissioners (resigned 10 June  
2020)

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

The trustees present their report and financial statements for the year ended 31 March 2021.

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2021. The financial statements have been prepared in accordance with the Charities Act 2011, Companies Act 2006, the organisation's articles of association and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **About us**

The NHS Confederation is the membership body that brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Northern Ireland, and Wales. We represent hospitals, community and mental health providers, ambulance trusts, primary care networks, clinical commissioning groups and integrated care systems.

We have three roles:

- to be an influential system leader
- to represent our members with politicians, national bodies, the unions and in Europe
- and to support our members to continually improve care for patients and the public.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services, and our values of voice, openness, integrity, challenge, empowerment.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Summary overview

The last 12 months have stretched the health and care system to its limit. Throughout the year, the NHS Confederation has focused on supporting our members to respond to immediate challenges and to look ahead to the next phase. We have been our members' voice in public and their advocate behind the scenes, influencing the changes they have needed to support their staff, patients and communities.

Throughout 2020/21 we have especially supported our members across four significant areas:

- COVID-19 response
- NHS Reset campaign
- Health inequalities
- System working

#### COVID-19 response

We have been one of the most prominent voices making the case for the issues that matter most to members, from personal protective equipment (PPE) and test, trace and isolate, to the roll out of the vaccine and the easing of regulatory burdens. All parts of the NHS Confederation pivoted to provide member support, with efforts channelled into influencing, sense making, shared learning and peer support. We have also played a key and very visible role in explaining the work of our members to the public.

As a result, we successfully helped to secure the relaxation of Care Quality Commission inspections during COVID-19; ensured updated guidance on PPE use that is location specific; secured the prioritisation of NHS staff and other key workers in receiving the additional 3.5 million antigen tests; ensured the expansion of staff testing, including by lifting of the cap that restricted the percentage of NHS staff that trusts could test; secured the automatic extension of visas of NHS staff that were due to expire in October; secured the extension of death-in-service benefits to workers not in the NHS Pension Scheme; and resolved PPE supply issues into primary and community care.

Through the formal role of NHS Employers in social partnership and collective bargaining in England, we have provided support and guidance to workforce leaders in England throughout the pandemic, supplying information and advice on a range of issues including shielding and testing, pre-employment checks and life assurance, and staff deployment and wellbeing. Under the NHS Reset banner we published two reports: *Putting People First: Supporting NHS Staff in the Aftermath of COVID-19*, and *COVID-19 and the Health and Care Workforce: Supporting our Greatest Asset*.

In Wales, Welsh NHS Employers has supported, developed and implemented all-Wales workforce policies, guidance and procedures, and continually updated a set of COVID-19 frequently asked questions for both managers and staff, to guide organisations in their pandemic response.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

Welsh NHS Employers also provided increased support to workforce and OD director and assistant director peer groups, including supporting over 50 peer group meetings to ensure that the peer groups worked effectively in their COVID-19 response and delivered on their other priorities, progressing the broader workforce agenda during the pandemic.

#### **NHS Reset campaign**

In May 2020, we launched the NHS Reset campaign to help shape what the health and care system should look like in the aftermath of the pandemic. Among our successes, we helped secure a commitment for a leaner and lighter approach to governance and regulation. Our consistent message on letting local leaders lead was increasingly heard and notable in the role primary care networks (PCNs), which are supported by our PCN Network, have played in the vaccination programme.

The NHS Reset campaign was widely praised by members and stakeholders, paving the way for record levels of member and stakeholder engagement. Over the course of the initial six-month campaign we engaged with more than 2,500 senior leaders, held more than 50 webinars, roundtables and private meetings and published more than 80 blogs from a range of influential voices in the sector.

As a result of the campaign, we were invited to advise the Prime Minister's implementation unit, asked to submit evidence to No.10's health taskforce, and contribute to NHS England and NHS Improvement's (NHSEI) beneficial changes programme, among others.

Our Mental Health Network played a key role in highlighting the additional demands on services due to the pandemic, helping to secure an extra £500 million for mental health as part of the Spending Review.

We worked with the Health Foundation to make the case for additional funding to respond to the impact of the pandemic and to 'fill in the gaps' in the 2018 funding settlement. The Chancellor awarded £3 billion in the Spending Review which, while we were clear was welcome, was much less than was needed. Our Reset campaign has continued to make clear the priorities for the NHS and for our colleagues in social care. The NHS Confederation's consistent narrative about the long-term challenges highlighted and exacerbated by the pandemic, emphasises the concerns of our members and the needs of their staff and patients.

We launched an update to the NHS Reset campaign in March 2021 to focus on what needs to happen in the recovery phase. This was led by work on how to clear the backlog of care built up over the pandemic, and was rooted in modelling we commissioned to make the NHS's case to government and national bodies. Later that month, we also published a report on the conditions needed to support NHS staff to recover.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

##### **Health inequalities**

Health inequalities formed a central part of the NHS Reset campaign, which sought to shed light on the issue and the ways forward. In July 2020, the campaign hosted a dedicated week on the topic to improve people's understanding, share learning and showcase different perspectives and interventions. In September, Health Inequalities: Time to Act was published, which distilled the campaign's learning and insight and reaffirmed our commitment to tackling the root causes. This was followed in November by a joint briefing with the ABPI on tangible actions members and partners can take.

In October 2020, we joined the RCP-convened Inequalities in Health Alliance.

In addition to the campaign, our BME Leadership Network has been a leading voice on ethnic inequalities in health. The network's report on the disproportionate impact of COVID-19 on people from black and minority ethnic backgrounds provided a unique view on the first wave of the pandemic. This included action on 'hostile environment' policies affecting migrants and refugees, among other recommendations. We were pleased to see that, just two months after the release of the report, the Home Office announced a 'vaccines amnesty', urging undocumented migrants to register with a GP for a COVID-19 vaccine without fear of immigration checks or charges.

In April 2020, the network was among the first NHS organisations to put forward mitigating actions to protect BME staff and communities from the impact of the pandemic, and worked alongside NHSEI to socialise them. This has included guidance and shared learning on risk assessments and what happens on the back of the findings. The network's April 2020 briefing remains one of the most widely downloaded publications on the NHS Confederation's website.

The new NHS Race and Health Observatory was established in the autumn of 2020 and immediately started work to understand the barriers to take up of the vaccine among BME staff. The Observatory conducted a rapid review of pulse oximetry and racial bias, and issued guidance and undertook engagement on testing and vaccine uptake during Ramadan. At the same time, it established a board and academic reference group and commissioned significant work in the key service areas of mental health and maternity.

##### **System working**

This has been at the heart of our work and we have engaged with leaders across the system to support the transition to every area becoming part of an integrated care system (ICS) from April 2021. We have published three major reports in this area and have been a trusted voice on behalf of members as the aspirations are turned into legislative reality.

We achieved our goal of launching new networks for our PCN and ICS members. Each network meets regularly and we are increasingly acting as the voice of PCN and ICS leaders, providing them with opportunities to influence and raise their profile on key issues as well as network and share learning.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

At the beginning of 2021, the Department of Health and Social Care (DHSC) published plans for reform of the NHS in England. We have been engaging members on the proposals and have shared their reflections and concerns with DHSC and NHSEI.

NHSEI commissioned us to engage with clinical and care professional leaders to inform national guidance to support system-wide clinical and professional leadership to be embedded in all ICSs. A wide-ranging engagement exercise was held, with a final report submitted in April 2021.

We are also taking part in the DHSC's working group on the draft legislation on NHS reform in England.

We have continued to share learning on system working across all three nations within our membership, as well as international insights.

Since 2019, we have led Health for Care, a coalition of health organisations that has been increasing pressure on the government to boost funding and support for social care. As part of the coalition we have produced two reports, one sharing the seven key principles for care reform set out by the Health for Care coalition, and one highlighting the results of a YouGov survey of MPs and councillors in England between November and December 2020, which revealed a strong consensus on the need for adult social care reform in England. The NHS Confederation also published a report as part of our NHS Reset campaign, which explores the opportunities and challenges for health and social care and the four critical factors needed to reset social care.

#### Key achievements in 2020/21

Throughout the past 12 months we have represented our members and kept them connected, informed and supported.

##### Represented

Our ICS Network highlighted the benefits of engine-room working and made an appeal for continued financial investment to support central staff across systems. This resulted in £11 million of transformation funding being made available from NHSEI to support such staff for another year. The network engaged with senior leaders at NHSEI on the implications of the forthcoming health and care bill, and facilitated extensive engagement meetings with senior NHSEI officials so that ICS leaders can give direct feedback on phase three of the COVID-19 recovery and restoration plan. The network successfully influenced NHSEI appointments guidance for ICS chairs and leaders, and ICS chairs and leaders have been heavily involved in shaping the NHS Confederation's position on the future of system working, therefore influencing NHSEI's plans. This led to the publication of the NHS Confederation's report *The Future of Integrated Care in England*, and subsequent response to NHSEI's legislative proposals in late 2020. Many of the recommendations set out in these documents are set to be taken forward in legislation, notably including a shared duty to collaborate between system partners, financial autonomy for systems and the principle of subsidiarity.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

On behalf of our acute providers we successfully lobbied the Care Quality Commission to suspend inspections, and wrote to NHS England chief nursing officer Ruth May, and test and trace and PHE joint medical adviser Susan Hopkins, about PPE guidance and whether FF3 masks should be issued as standard. The network held a series of member-only roundtables with parliamentarians, including a session with health minister Edward Argar MP on cancer services, as well as with advisers to No. 10 Downing Street.

Our Community Network, which is jointly delivered with NHS Providers, wrote to the Secretaries of State for health and social care and communities and to local government over the disruptive retendering of local authority public health contracts and Agenda for Change funding for local authority staff working on NHS contracts. The network lobbied for funding to support discharge to assess, both publicly and privately, and submitted representations to both the autumn Spending Review and the Budget in March 2020. We also worked with national stakeholders such as Social Enterprise UK to ensure that non-statutory providers are properly considered in national policy discussions.

Throughout this year, the Mental Health Network (MHN) has consistently met with politicians from across parties to ensure the needs of the mental health sector remain a priority. The network continued to engage with NHSEI over specific challenges that this past year has presented, met regularly with Claire Murdoch and held meetings with key stakeholders, including Lord David Prior, chair of NHS England, and Baroness Dido Harding, chair of NHS Improvement. The MHN invited representatives from the Care Quality Commission (CQC) to several member events, as well as meeting privately with senior CQC leaders. The network also met with senior representatives from Public Health England, Health Education England, the Department of Health and Social Care and HM Treasury, to discuss the Mental Health Act review, workforce, funding, increased demand for services and the future of public mental health.

Our PCN Network represented member views in the media on issues such as the PCN Direct Enhanced Services contract, distribution of PPE and the vaccine roll out. Members had the opportunity to learn about new tools and developments through facilitated sessions with NHSX, NHS Digital and Carnall Farrar, and the network held a meeting with Number 10's health and care taskforce on the use of digital in primary care. The network also kept in regular contact with senior leaders at NHSEI to represent members' behalf on issues including the PCN DES; PCN development and support; the Additional Roles Reimbursement Scheme; social prescribing; clinical leadership; winter pressures; shielded patients; public health management and anticipatory care.

NHS Employers submitted evidence to the Doctors' and Dentists' Review Body and the Pay Review Body on behalf of employers, with both submissions being informed by a continuous cycle of engagement with a full range of NHS organisations. Employers' views were also represented to the government in its proposals to introduce new flexibilities to the NHS Pension Scheme, calling to reduce the pensions tax issue and introduce greater flexibilities for all NHS employees.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

NHS Employers also collated and submitted evidence, both independently and as part of the Cavendish Coalition, to the Migration Advisory Committee's call for evidence on the shortage occupation list. This response was informed by workforce data, alongside strong engagement with employers on the domestic and overseas recruitment challenges faced over the last year.

The Northern Ireland NHS Confederation (NICON) supported the HSC Chairs Forum to establish a set of regular, six-weekly meetings with the Minister of Health Northern Ireland (NI), to represent the views of colleagues in the system. This new opportunity supports the move to develop greater partnership working and a wider NI collaborative approach across the 17 arm's-length bodies, and the department and is already building more open and trusting relationships.

In the spring, NICON wrote to the Minister of Finance and led media work to seek to influence the outcome of the 2021/22 Budget. This achieved a large amount of media coverage and created awareness of the overall budget issues both in the system and by the wider public. NICON has also ensured that NI health and social care information has been fed into the emerging agreements underpinning the UK withdrawal from the EU, and the ongoing development of arrangements support the Northern Ireland Protocol.

The Welsh NHS Confederation developed a briefing and animation for the Senedd election to highlight the big issues facing health and social care in the next five years, and members' priorities continue to influence party manifestos through meetings and roundtable events, including a hustings with all party health spokespeople.

Members' voices were heard in the Welsh parliament through regular engagement with ministers and Senedd members, and written responses were submitted to 14 Senedd inquiries and Welsh Government consultations, with the Welsh NHS Confederation being mentioned over 30 times in the Senedd.

Members in Wales have been increasingly represented in the media in the past 12 months, with the Welsh NHS Confederation strengthening its media engagement through a wider range of channels. Through over 100 press releases, media statements and blogs, as well as over 200 press and broadcast media mentions and over 40 radio and TV interviews, the Welsh NHS Confederation has become the go-to organisation for the media in Wales.

During 2020/21, our NHS European Office exerted influence that ensured NHS priorities were identified and addressed in the Brexit deal; helped secure NHS access to the Horizon Europe research programme; represented NHS needs in the EU Joint Action Towards the European Health Data Space; and strengthened and established new communication channels with the EU post-Brexit to represent NHS interests.

#### **Connected**

We convened a chairs forum, which brought together chairs and non-executives from across England, Northern Ireland and Wales, and facilitated member sessions with decision-makers on

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

issues including the phase three guidance, provider collaboration, test and trace, and Brexit. The acute forum also worked with members to start discussions on a new policy framework for elective care, and hosted sessions with the Health Foundation to explore modelling ahead of the Spending Review.

The Community Network published a briefing on working with primary care networks, as well as a number of examples of good practice of integrated, neighbourhood-level working. Members were brought together at a number of events to discuss topics including digital tools and the third phase of the pandemic response.

ICS chairs and leaders had the opportunity to support and be supported by their peers and share good practice through dedicated networks and events held by the PCN Network, with virtual meetings of the ICS chairs network regularly attracting around two-thirds of all ICS chairs. A community of system reset leads was established, with fortnightly calls to support peer sharing on a range of topics including health inequalities, digitally-enabled care and demand management. A new working group supports ICSs affected by potential boundary changes, and specific groups were convened in partnership with the wider NHS Confederation to connect ICS mental health leads and ICS workforce leads to support peer learning and support across systems.

The Mental Health Network held over 20 Medical Directors Forum meetings, which were regularly joined by high-profile speakers from organisations such as NHSEI, CQC and the Royal College of Psychiatrists. Since the start of the pandemic, MHN has brought together NHS chairs every week to ensure quality governance is maintained, and to hear from national speakers including Prerana Issar, chief people officer at NHSEI, and Steve Baker, national mental health adviser for the College of Policing and National Police Chief's Council. In partnership with the Independent Healthcare Provider Network, MHN brought together providers of independent acute mental health services with regular meetings between chief executives, and the network continued to support members on their journeys from ICSs to sustainability and transformation partnerships (STPs) with quarterly ICS/STP mental health leads meetings. These were often joined by system leaders and commissioners who led formative discussions and shared a raft of good practice. The network also partnered with the PCN Network to deliver a series of joint meetings between MHN and PCN Network members, focusing on approaches to demand, community mental health services and health inequalities.

The PCN Network launched a mobile app for PCN teams to connect, network, share learning and access information and guidance easily. New regional networks were created in the south east, east and north west of England, with more in the pipeline, while a PCN managers' forum, a nurse clinical directors group and a wider clinical directors' reference group were also established. Through blogs, vlogs, media, and opportunities to join webinar panels, the network provided a platform for PCN clinical directors, managers and their wider teams, while also holding regular meetings with clinical directors, PCN managers and nurse clinical directors. PCN teams were helped to connect with the wider NHS Confederation and its networks through meetings, joint events and briefings, and the network also facilitated connections between PCNs and their ICS/STP leads and chairs. Working with

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

wider stakeholders including the BMA, Royal College of GPs, NHS Clinical Commissioners (NHSCC) and the National Association of Primary Care, the PCN Network ensured that PCNs are represented as effectively as possible.

Through its national engagement service, NHS Employers provided critical support to the NHS during the pandemic with high-intensity engagement activity across HR director networks. HRD meetings increased by 125 per cent compared to the previous year, resulting in over 1,000 contacts with trusts and trade unions and enabling provider organisations, regional workforce teams, system leaders and trade unions to work in partnership on a joint response to the pandemic.

Though the Strategic Workforce Forum on 13 and 14 October 2020, which was held virtually this year, 350 HRDs and their deputies connected to focus on the key issues and challenges facing employers. NHS Employers has also successfully delivered several more virtual events to keep workforce leaders connected during the pandemic, including our first virtual staff experience conference and first joint national and regional Social Partnership Forum virtual partnership conference, titled Regroup, Reflect, Recharge: Enhancing Staff Experience in the NHS.

The NICON 20 virtual conference connected more than 700 colleagues, patients and partners in October 2020, allowing them to connect, learn and contribute to the key debates in 45 sessions.

During the year, HSC chairs joined the NHS chairs monthly meetings, which kept them in touch with emerging NHS thinking and developing wider relationships. NICON also invested in its partnership with the Chief Executives Forum, bringing key health and social care issues to the attention of the wider public sector and increasing influencing capacity around population health and recovery issues.

The Welsh NHS Confederation produced a series of thought leadership webinars for its members and wider stakeholders, on topics including the role of health and care in social and economic recovery; the impact of the new immigration system on the Welsh health and care workforce; and the journey towards delivering the Well-being of Future Generations Act with the Future Generations Commissioner. These sessions connected over 400 attendees across eight online events, with over 300 retrospective views on YouTube.

The Welsh NHS Confederation also delivered events to engage proactively with key stakeholders and to build and maintain relationships across the system. Through hosting webinars for members with the Children's Commissioner, the Older People's Commissioner and the Welsh Government on the introduction of the Socio-Economic Duty, ongoing conversation and connections were forged between NHS leaders and external stakeholders, which have built strong foundations for the future.

Our EU Office brought members together to share lessons and expertise on leveraging international engagement for NHS income generation, professional development and service improvement, and enabled member input to the development of the NHS Export Collaborative.

Members had opportunities to engage in international funding and development opportunities, and to be linked with their international counterparts for shared learning.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

##### Supported

The NHS Confederation's programme of peer learning and support for first-time provider chief executives continued this year, generating a report on learnings from the first wave, and contributing to the creation of NHSEI's executive suite.

Our successful Health and Care Women Leaders Network published *Action for Equality: The Time is Now*, which provided renewed impetus for greater gender representation and diversity on NHS boards. The network also commissioned a survey to better understand the impact of the pandemic on women working across health and care services.

The BME Leadership Network has been a vital source of support for BME leaders throughout the pandemic and a leading voice on combatting inequalities. Its reports on the impact of the pandemic on BME staff and communities have helped members and government identify the actions they can take to address racism.

We launched the Health and Care LGBTQ+ Leaders Network, which aims to increase the numbers and visibility of LGBTQ+ people on boards and in senior leadership and to improve the experience of LGBTQ+ staff and patients. The network celebrated National Coming Out Day by publishing a compilation of coming-out stories from some of our LGBTQ+ leaders.

In November, all three equality networks hosted a festival of learning, wellbeing and inclusion, attended by over 170 delegates and featuring speakers including former Australian Prime Minister Julia Gillard. One hundred per cent of delegates who provided feedback said they would recommend the event to a colleague and felt it was good value for money.

Through our regional teams covering the seven English NHS regions, we have supported provider members through bespoke regional events, while working with organisations outside the NHS to explore issues such as the relationship between the NHS and colleges; how the NHS and voluntary and community sector can work better together; and how the NHS can put sustainability at the heart of what it does. Member briefings summarised issues of interest including the Spending Review 2020, phase three guidance, understanding long COVID and the urgent and emergency care clinical review of standards.

The Community Network worked with NHSEI on a webinar and blog series on urgent community response, and provided support through the regional teams in each of the seven English NHS regions. Roundtable and member events kept community providers informed and supported on issues such as the phase three guidance, and the network made the case for the vital role community health services are playing through opinion pieces by Community Network chair Andrew Ridley.

ICS chairs received bespoke support from the ICS Network, including a masterclass on building psychological safety and resilience in the context of system working from Amy Edmondson, Novartis professor of leadership at Harvard Business School. The network also published a report, *Building Common Purpose*, which shone a light on five success factors that are required for high-performing

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

engagement and communications at system level. As with the community and acute networks, the ICS Network provided support through its regional teams across the seven English NHS regions, including regular bespoke regional integrated care bulletins.

Following extensive engagement, the Mental Health Network published the NHS Reset report Mental Health Services and COVID-19: Preparing for the Rising Tide, in response to the COVID-19 crisis. MHN also partnered with NHSCC to deliver a webinar on modelling demand and published the findings in Looking Forward: How the Mental Health System Will Model and Meet the Demand. The network's new Digital and Housing Forums released three publications on delivering mental health services digitally, including a guide to digital inclusion in mental health. To help ensure the sector had everything it needed through the winter, the network created a government briefing with Mental Health Policy Group (MHPG) partners calling for a mental health winter support package.

MHN partnered with NHSCC and the PCN Network to produce Ensuring Appropriate Employment Support for People with Mental Health Problems, which helps systems understand the importance of employment support for people with mental health problems and how it can look in practice. After hosting two impactful webinars, the PCN Network published follow-up briefings looking at partnership working to meet rising demand and improve patient care. Working with NHS Employers and the Nuffield Trust, the network researched how to attract more people to become mental health nurses and published the findings in Laying Foundations: Attitudes and Access to Mental Health Nurse Education. In another briefing, Supporting Mental Health in Communities During the Coronavirus Crisis, the network gave practical advice for statutory service commissioners and providers on building effective partnerships locally with their voluntary and community sector partners.

The PCN Network's range of member support included briefings and case studies, as well as webinars on policy and operation protocols such as the PCN DES, the role of pharmacy in supporting care homes, working with mental health and community services providers, the operational response to phase three of the COVID-19 response, and the early diagnosis of cancer specifications, vaccine delivery. Monthly bulletins for PCN teams gave essential information, guidance, shared learning, thought leadership and helpful resources. A major report and webinar from the network, PCNs: One Year On, provided a temperature check as well as setting out to national policymakers where further support and development is needed. The network established a clinical director mentoring programme, matching PCN clinical directors to acute, community and mental health provider chief executives, and held discussions and workshops with PCNs on their development needs and access to support, putting them in touch with others where appropriate.

NHS Employers has played a critical role in producing guidance and resources to support the health and care workforce's response to the pandemic, leading agreements with trade unions through the Social Partnership Forum and NHS Staff Council. NHS Employers was also asked by the chief people officer to produce the COVID-19 risk assessment guidance for NHS staff. The NHS Employers website

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

attracted a record number of over five million visitors last year, driven by the COVID-19 guidance for NHS workforce leaders which was accessed 943,914 times.

NHS Employers successfully concluded negotiations with the BMA to introduce a new contract for specialty and associate specialist (SAS) doctors, and produced resources and guidance to help employers implement the changes. Negotiations were also concluded with NHS Staff Council unions to resolve the long-standing Flowers implications for annual leave payments. In addition, NHS Employers commissioned First Actuarial, the independent advisers to the Scheme Advisory Board for the NHS Pension Scheme, to develop a ready reckoner calculator tool to help staff understand the benefits they are building up in the NHS Pension Scheme and the annual allowance tax implications.

During the pandemic, NICON shared best practice and key information between the HSC system and the NHS Confederation, including staff resources on mental health and integration. Health and social care monitoring was provided for 1,000 colleagues, and weekly emails became daily during the pandemic to keep colleagues and partners up to date with emerging issues.

NICON ran eight discussion sessions throughout the year, keeping colleagues and members apprised of emerging policy, as well as offering the opportunity for NICON members to join a variety of wider Confed events due to them being held virtually.

The Welsh NHS Confederation supported over 60 NHS Wales representatives to provide oral evidence to Committee inquiries, including the Health, Social Care and Sport Committee inquiry into COVID-19; the Equality, Local Government and Communities Committee inquiry into the impact of COVID-19 on the voluntary sector; and the Finance Committee inquiry into the Welsh Government's draft Budget 2021-22.

The COVID-19 response was supported by over 40 member briefings and six case studies showcasing partnership working across Wales to support the pandemic response.

The Welsh NHS Confederation also enhanced its programme infrastructure for NHS executive director peer groups in response to COVID-19, providing secretariat and administrative support to ten executive director peer groups in the development and delivery of their response to the pandemic. Through more than 170 individual and cross-group meetings, peer groups received as much support as required to enable meetings and the delivery of agreed actions. This was in addition to supporting over 100 meetings of NHS chairs, vice chairs and chief executives.

The NHS European Office delivered newsletters, briefings and member webinars to explain how Brexit changes affect its members, as well as publishing a monthly NHS international intelligence scanning service to highlight relevant learnings from other health services.

Members' expertise and successes were showcased on international platforms, while the UE Office also identified the NHS operational issues associated with post-Brexit changes and facilitated their resolution

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

#### Plans for 2021/22

Throughout our work programme for the coming year we will continue to represent, connect and support our members throughout the NHS Confederation group. We will do this through focusing on our three strategic priorities:

1. Be the voice of leadership across all parts of the health system, establishing new membership offers to ICSs, primary care and acute providers.
2. To make tangible improvements in key areas of policy and practice on the issues that are most critical to our members and to achieving high-quality care, reduced health inequalities and more efficient services.
3. To become a high-performing organisation, which is financially sustainable, efficient, provides value for money for our members, and which is a modern and inclusive employer.

Here is how we will achieve this.

#### The recognised voice of leadership

We will develop the governance mechanisms for the ICS Network, including recruitment of a Chair and Advisory Board, and ensure the ICS Network is represented in NHS Confederation trustee structures. This will mean the network is effectively governed and that members can feel ownership of network projects and activities.

Regional engagement structures will be developed for the ICS Network to increase reach and engagement with ICS leaders and chairs and understand particular issues in each region. We will also deliver a range of projects that respond to the specific asks of ICS leaders and that demonstrate our impact in this space.

We will develop, strengthen and deliver a comprehensive offer for all existing and future acute and integrated members of NHS Confederation.

Our acute and integrated sector insight will be strengthened to best represent and meet the needs of these provider organisations, to ensure the NHS Confederation is recognised as an influential and respected leadership voice for these specific sectors. We will do this through individual and regional member engagement; through the New CEOs group; the non-executive chairs group; Proud2BOps; The Shelford Group; AACE; and our Community Network.

We will strengthen and deliver a comprehensive system-wide mental health offer for all statutory, voluntary and independent members and commissioners in the Mental Health Network, so that we retain existing members and recruit new members to the Mental Health Network.

Through delivering a high-quality, value-for-money conference and exhibition for mental health providers and commissioners within the wider system, we will increase engagement with members and non-members and provide a platform for leaders within the mental health sector to showcase

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

their work and engage with members on the trends, priorities and future of mental health policy and practice.

Our PCN Network will support and represent PCNs to be equal partners in the system and work collaboratively, so that PCNs can deliver services that meet the needs of their population, and the NHS Confederation can represent member views to influence policy makers. The network will create a safe and secure space in which to connect and support developing PCNs, to develop a broader knowledge base to inform policy and a direct route to keep PCNs informed of guidance.

Nurses and other clinical professionals will be supported to grow as leaders and take on clinical director roles, to create greater diversity of knowledge and clinical experience in PCN leadership. GP federations will be supported and represented to have a national voice, to be an equal partners in the system and work collaboratively so that they can provide services in primary care at scale in settings that could not be delivered otherwise.

On an international level, we will deliver NHSEI support by influencing policy associated with Brexit in the interests of the NHS by informing members of relevant Brexit-related changes; by influencing EU legislation and strategy towards the interests of the NHS; by representing NHS interests in the UK's international-facing policy, strategy, and trade deals; and by supporting members practically in learning from international experience and getting the most from their international engagement.

Decision-makers for international agreements that affect the NHS and wider health sector will be made aware of NHS and health sector priorities and incorporate them into their decision-making. The NHS and wider health sector will be made aware of the practical implications of any relevant developments and preparations they may have to make.

NHS Employers will continue to deliver its 12 agreed work programmes, objectives and KPIs commissioned by DHSC, so that our system leadership role around current and future workforce priority areas of health and social care organisations is maintained.

NHSCC will continue to deliver its core offer and high-profile projects to support CCGs, such as medicines and working with local government. The offer will transition to the ICS Network by March 2022, with the aim of retaining the bulk of our CCG membership and stakeholder relationships. A final NHSCC member event in the coming year will bring the CCG and ICS community together nationally.

The Northern Ireland NHS Confederation will continue to represent the views of leaders across all parts of the HSC system, to ensure the system in which its members operate is working in the best interests of service users, citizens and staff. NICON will maintain its effective relationships with minister and leaders to share ideas, insights and best practice, and provide the means and networks to enable members to respond to the challenges they face.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

##### To improve key areas of policy and practice

All parts of the NHS Confederation will participate in shared policy priorities that reflect members ambitions for:

- system working
- improving population health
- workforce
- finance
- improved regulation

In support of the ICS Network, we will deliver a series of projects specifically funded by NHSEI including ambulance trusts in systems, voluntary and community sector engagement, and place-based working.

We will grow, deepen and strengthen our acute stakeholder network and levers to directly and indirectly influence acute and integrated sector policy developments towards the interests of our members.

The acute and integrated perspective will be considered in wider issues being addressed by Confed, to ensure the acute and integrated provider perspective and interests are well represented in our strategic policy and communication products.

In mental health, we will use our influence, expertise and resources to ensure mental health is effectively represented across all key policy areas, so that all members of the NHS Confederation are supported to understand mental health priorities and place within the system.

NHS Employers will deliver across its portfolio of external contracts, including the Ministry of Defence, The Prince's Trust, Step into Health and DoOD, to increase our income and our collaborative working between different organisations.

Internationally, we will represent the UK as the DHSC-appointed competent authority for the EU Joint Action (JA) Towards Sharing Health Data. This will protect UK interest against the setting of different EU regulatory norms and standards; ensure UK has access to EU data as a Third Country; influence GDPR and health data legislation and implementation; and maintain the UK's position as a thought-leader in health.

The PCN Network will connect PCNs across England and provide support on key issues, so that PCNs are prepared and informed to meet the demands of the year ahead. Specific work will be carried out in Cumbria and Lancashire to connect PCN clinical directors and inform system working on role of PCNs at place and system level, to enable development of PCNs in this region. NHSCC will share good practice and learning on continuing healthcare (CHC) for system working, identifying key areas for policy change to achieve a shared vision on what needs to change around NHS CHC.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

NHSCC will also work with NHSEI to support CCG transition to ICSs; translate the legislative proposals to implementation on the ground; and support CCG staff in transition, in order to achieve a smooth transition from CCGs to ICS/place arrangements by April 2022.

NICON will provide the means and networks to bring together leaders across all parts of the HSC and their key partners to share ideas and develop solutions to the most critical challenges they face, both as leaders of organisations and in an individual leadership capacity.

#### **To be a high-performing organisation**

We will embed new ways of working across the NHS Confederation, identifying new values and behaviours to guide our culture and improve the support we offer to our staff. We are committed to improving equality and inclusion and have a particular focus on being an anti-racist organisation

We will develop a long-term funding strategy for the ICS and Primary Care Networks, including a fee-paying model so that the ICS Network is a fully funded network in the future.

We will evolve the NHS European Office offer to provide valued, post-Brexit international functions for government departments and arm's-length bodies, to achieve sustainability including secured funding for the European Office (international office) function post-Brexit.

NHS Employers will promote and demonstrate its skill and expertise through delivery of its work programme, and support the delivery of the NHS People Plan in England.

Internally, our corporate services will provide an excellent service to their member-facing and policy colleagues, delivering clear systems and policies for all managers and teams and ensuring staff are supported with any issues they experience.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Structure, governance and management

The charity is a company limited by guarantee and was incorporated on 23 January 2002. The charity's latest articles of association and byelaws were adopted at a General Meeting of members on 16 June 2021.

The charity has a subsidiary called The NHS Confederation (Services) Company Limited incorporated as a company limited by guarantee (Company Number: 05252407).

#### About us

The NHS Confederation is an independent membership body, and membership is open to any statutory NHS or health and social care service organisation within the UK, and any other health or social care body that is approved by the board of trustees. Our membership is drawn from the full breadth of organisations that oversee, commission, and provide healthcare services in England, Wales, and Northern Ireland, including acute and community trusts, clinical commissioning groups, mental health trusts, independent providers and statutory NHS bodies in Northern Ireland and Wales. We also represent ambulance trusts through the Association of Ambulance Chief Executives.

The NHS Confederation helps its members commission and deliver high-quality, patient-focused care for the public by enabling them to learn from each other, acting as their public voice and the voice of the whole health care system and helping to shape the system in which they operate. We do this by providing strong voices for our members through the different networks and devolved jurisdictions that form the NHS Confederation, including NHS Clinical Commissioners, the Mental Health Network, the Primary Care Network Network, the Integrated Care Systems Network, the Welsh NHS Confederation and the Northern Ireland Confederation for Health and Social Care.

All our work is underpinned and driven by our vision of an empowered, healthy population supported by world-class health and care services.

We uphold our duty of public benefit by being an outstanding membership organisation that brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Northern Ireland and Wales. The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit as outlined here and on page 5.

#### Board of trustees

The charity's existing articles of association allow for a board size of at least ten trustees. Trustees are appointed to the board in accordance with each network or country's constitutional and management arrangements.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

The charity intends to adopt new articles of association and byelaws at a general meeting of members on 16 June 2021. Once adopted, the articles will allow a board size of at least three and no more than 15 trustees. Also, for the purposes of the Companies Acts, the trustees will become the only members of the charity ("Company Law Members") and any member decision required under company law will be reserved for Company Law Members.

The trustee nomination and appointment system as set out in the byelaws will take effect from July 2022. The byelaws will empower the board to appoint nominated trustees from networks and devolved jurisdictions, and co-opt additional trustees for their skills and experience, provided that the board size does not exceed 15.

Trustees will also have the power to appoint and remove a person to act as chair in accordance with the byelaws.

#### **Induction of new trustees**

New trustees have induction meetings with the board chair and relevant members of the senior management team. As trustees are mainly drawn from the boards of member organisations, they are conversant with board procedures, the activities of the NHS Confederation and the wider context within which the charity operates. From time to time, lawyers or other advisers are invited to attend board meetings to update trustees on charity governance issues and remind the board of their legal and fiduciary duties.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Strategic report

##### Trustees

The following trustees, who are also the directors of the charity for the purpose of company law, served during the year and up to the date the financial statements were signed.

|  |                              |
|--|------------------------------|
| Lord Victor Adebawale, Chair           |                              |
| Sir Andrew Cash, Vice Chair            |                              |
| Dr Owen Williams, Vice Chair           | (resigned 30 October 2020)   |
| Dr Graham Jackson                      |                              |
| Jennifer Ruth Poole                    |                              |
| Joseph Harrison                        | (appointed 25 March 2021)    |
| Julia Hickey                           | (resigned 31 March 2021)     |
| Mark Spencer                           | (appointed 10 December 2020) |
| Michael Bloomfield                     |                              |
| Nanda Ratnavel                         | (appointed 25 March 2021)    |
| Paul Jenkins                           |                              |
| Prem Singh, Senior Independent Trustee |                              |
| Prof. Vivienne Burnet                  |                              |

##### Attendance of trustees at NHS Confederation board meetings

The board of trustees formally met on 21 May 2020, 16 July 2020, 17 September 2020, 10 December 2020, and 25 March 2021. Trustee meetings also took place on 23 April 2020 and 28 Oct 2020. The attendance record from formal board meetings is as shown below.

| Name               | Attendance |
|--------------------|------------|
| Victor Adebawale   | 5/5        |
| Andrew Cash        | 5/5        |
| Graham Jackson     | 4/5        |
| Michael Bloomfield | 3/5        |
| Paul Jenkins       | 4/5        |
| Ruth Poole         | 4/5        |
| Prem Singh         | 4/5        |
| Vivienne Harpwood  | 5/5        |
| Julia Hickey       | 5/5        |
| Owen Williams      | 2/3        |

**THE NHS CONFEDERATION**

**TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2021**

---

|                |     |
|----------------|-----|
| Mark Spencer   | 2/2 |
| Joe Harrison   | 1/1 |
| Nanda Ratnavel | 1/1 |

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Scheme of delegation

A scheme of delegation lays out trustees' responsibilities, and those delegated to the board's sub-committees, senior management, and staff. This, together with a full set of operational policies and procedures, determines the conduct of senior management and other employees.

#### Committees of the board

The board had three sub-committees in 2020/21: the audit committee, the remuneration committee and the investment committee. Following a review of the sub-committee structure (as part of a wider governance review) the board approved an expanded remit for the investment committee and agreed its reconstitution as the finance and operations committee from 1 April 2021. The board also approved a slightly expanded remit for the audit committee.

The audit committee is comprised of three trustees and two independent members and is responsible for advising the board on the charity's annual accounts, including compliance with statutory and other legal requirements, the oversight of risk and the associated control structure, and for managing the relationship with internal and external auditors. The committee was chaired by Julia Hickey until her resignation on 31 March 2021, and Nanda Ratnavel was appointed as chair on 25 March 2021.

| Audit committee members                            | Attendance |
|--|------------|
| Julia Hickey (outgoing Chair) – to 31 Mar 2021     | 4/4        |
| Nanda Ratnavel (incoming Chair) – from 25 Mar 2021 | n/a        |
| Paul Jenkins                                       | 4/4        |
| Michael Bloomfield                                 | 4/4        |
| Liz May (independent)                              | 3/4        |
| Mark Stevenson (independent)                       | 4/4        |

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

The remuneration committee is comprised of three trustees and was chaired by Dr Owen Williams until his resignation on 30 October 2020. Valerie Morton was selected as chair-elect in April 2021 and will be formally appointed to the board in July 2021 following the adoption of the new articles of association.

The remuneration committee is responsible for determining the executive pay framework and agreeing specific recommendations relating to executive pay; determining the policy for and scope of the annual cost of living or performance-related award for all NHS Confederation staff, and ensuring that application of this remuneration policy is equitable, fair and transparent; ensuring that contractual terms on termination and any payments made are fair to the individual and the organisation and that failure is not rewarded; and reviewing remuneration trends across the organisation. The committee met five times in 2020/21.

| Remuneration committee                    | Meetings attended |
|---|-------------------|
| Dr Owen Williams (Chair) – to 30 Oct 2020 | 3/3               |
| Julia Hickey – to 31 Mar 2021             | 5/5               |
| Dr Graham Jackson                         | 4/5               |

The investment committee is comprised of two trustees and an independent member. The committee chaired by Prem Singh met four times in 2020/21 and contributed to the strategic direction of the charity's investment portfolio.

The investment committee was reconstituted with an expanded remit as the finance and operations committee in April 2021. The committee's remit is intended to give the board a closer and clearer understanding of the charity's core financial and operational processes, while ensuring the regular review of its financial performance, delivery of infrastructure projects, and adequacy of insurance cover. The committee will continue to advise the board on the charity's investment strategy.

To ensure that the work of the finance sub-committees is aligned, the chair of the audit committee will also be a member of the finance and operations committee.

| Investment committee                   | Meetings attended |
|--|-------------------|
| Prem Singh (Chair) – from 16 July 2020 | 3/3               |
| Julia Hickey – to 31 Mar 2021          | 4/4               |
| Dr Owen Williams – to 30 Oct 2020      | 1/2               |
| Suneet Kumar (independent)             | 4/4               |

## **THE NHS CONFEDERATION**

### **TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2021**

---

#### **Network and country boards**

In accordance with the existing articles of association, scheme of delegation and individual compacts, the board delegates specific powers to the boards of the networks and countries, which entitles them to manage their own affairs subject to the reasonable requirement of the trustees.

The charity expects to adopt new byelaws at a general meeting of members on 16 June 2021, which will entitle networks and the devolved jurisdictions in Wales and Northern Ireland to manage their own affairs, subject to the provisions of the byelaws and network and jurisdiction group terms of reference.

#### **Pensions and remuneration package**

The organisation operates three pension schemes.

The NHS Confederation maintains access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Schemes for staff who are recruited from these sectors (or are employed on protected terms) and already contribute to these defined benefit schemes. The organisation contributes 14.38 per cent to the NHS Pension Scheme and 20.9 per cent to 24.5 per cent to the Civil Service Scheme. 30 staff are on the NHS Pension Scheme and 15 are in the Civil Service Scheme.

The organisation contributes either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme for all other employees who wish to receive it.

There are also a range of other benefits available to all employees including flexible working; non-contributory life assurance cover; season ticket loans; childcare vouchers and a cycle-to-work scheme (via a salary sacrifice scheme).

#### **Chief executive and director pay**

The remuneration committee is responsible for setting the pay for the chief executive and directors. A framework based on the Hay job evaluation model is used to determine the range of director and chief executive pay and total remuneration is agreed by the remuneration committee.

#### **Related parties**

Sir Andrew Cash's term as interim chair was remunerated through invoice payments made to Unique Health Solutions, a management consultancy firm of which he is a director.

Dr Graham Jackson's GP partnership, Whitehill Surgery, is recompensed for his time spent working for NHS Clinical Commissioners to allow them to backfill his time away from practice business and direct patient care. Dr Jackson is also paid directly for consultancy services for up to 90 days per year.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

The NHS Confederation is the sole member of the trading subsidiary, NHS Confederation (Services) Company Limited, registered company number 05252407. The company exists to provide a range of non-charitable activities on behalf of the NHS Confederation, including:

- organising and delivering the NHS Confederation annual conference and exhibition
- a range of other conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties
- entering into joint ventures or similar.

The directors of the subsidiary company are Jennifer Ruth Poole (chair), Jonathan Morris (non-executive director), Danny Mortimer (subsidiary board director), John O'Brien (subsidiary board director) and Nikki Barraclough (subsidiary board director).

The NHS Confederation has no financial or controlling interest in any other organisation.

Certain costs incurred by the charity are recharged to the subsidiary reflecting an estimation of their usage. The methodology for this recharge is agreed by both parties as part of the budget setting process each year.

#### Trustee remuneration

In accordance with the articles of association and consent from the Charity Commission, the NHS Confederation chair/ interim chair is remunerated at £50,000 per annum for eight to ten days per month. The senior independent trustee is responsible for liaising with the other trustees to set the annual objectives for the chair and for reviewing performance annually.

As detailed above in related parties, an agreement is in place with Dr Graham Jackson's practice, Whitehill Surgery, to provide recompense for his time spent as chair of NHS Clinical Commissioners. Dr Jackson is paid directly for his consultancy work with the PCN and ICS Networks and both payment arrangements are reviewed on an annual basis.

No other trustees received remuneration for their services. Trustees also incurred no travel, accommodation, and subsistence expenses while on NHS Confederation business in 2020/21.

#### Governance review

The board of trustees undertook an extensive review of the charity's governance arrangements, to ensure a better fit with the NHS Confederation's evolving membership base in England.

Following member consultation, the board approved new draft articles of association and byelaws, which will be put to vote at a general meeting of members on 16 June 2021.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Data protection

The NHS Confederation is fully committed to meeting the requirements of the Data Protection Act 2018 and the UK General Data Protection Regulation.

Mandatory data protection training for staff and trustees is delivered through an e-learning module and compliance reports on data breaches and subject access requests are provided to the audit committee at each of its meetings.

#### Risk management

The trustees of the NHS Confederation are aware of their responsibilities relating to risk management under the requirements of the Statement of Recommended Practice for Accounting and reporting by Charities (SORP).

The trustees are responsible for considering the strategic risks, which are documented on a risk register that evaluates the residual risk (post-mitigating action) against the risk appetite set by the trustees. The register and the mitigating actions are regularly reviewed by the group executive to ensure that the actions are having the desired impact and that the risk is therefore at an acceptable level. During the year, the register was expanded to include a board assurance framework. The audit committee reviews the register at every meeting and the chief executive attends these meetings to report on corporate risk.

#### Principal risks and uncertainties

The three principal strategic risks faced by the organisation are summarised here:

| Strategic risk   | Mitigating actions   |
|--|--|
| <b>Major contracts</b><br>Contracts with major funders are either not renewed or the income is reduced, particularly during the expected upcoming tightening in public expenditure.  | Strong relationships are in place with core funders and new contract awards indicate that this continues to be recognised.<br>New and existing income streams are being developed and will mitigate the impact of any loss of contract income.   |
| <b>Membership</b><br>The organisation is unable to maintain sufficient members from across the health and care sector to assert its position and influence as a system-wide leader. The changing landscape of the sector presents risks to the current membership model. | The new membership model was successfully launched during the year. The new integrated operating model has strengthened our work with existing members while forming the basis for extending our reach across the health and care sectors.<br>The new fee structure will ensure that the cost of supporting member activities is fully funded. |

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

|  |   |
|--|---|
| <p><b>The impact of COVID-19 on ConfedExpo and the ongoing viability of both ConfedExpo and the Horizon facility</b></p> | <p>A virtual ConfedExpo event is planned for this year and revenue from both attendees and sponsors is in line with budget. A return to a face-to-face event is planned for 2022 and actions have been taken to mitigate the cost impact of the venue cancellation.</p> <p>ConfedExpo is run by the commercial director and is a major focus of both the executive team and our stakeholders. The event is a core part of our offer and is central to the strategic direction of both the Confed and NHSEI.</p> <p>The commercial team, with the oversight of the subsidiary board, are taking all possible actions to return the Horizon facility to a breakeven position. While it is unlikely that the facility will be retained beyond the life of the current lease, its financial performance is closely monitored.</p> |
|--|---|

The financial risks relating to COVID-19 are covered in detail in the going concern section below.

#### **KPIs**

Trustees receive a comprehensive management accounts pack each month. We are also developing a suite of KPIs to bring further focus to the trustees for required areas of monitoring

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Finance review

##### Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan (which moves from a deficit budget in year one, to breakeven in year two and then surplus in year three), forecast data and a 12-month forward-looking cash flow. Our membership income remains robust, with the new membership offer in England being launched April 2021. Contract income is stable and commercial income opportunities are likely to increase as our conference and event activity increases. The organisation has a strong cash balance and holds healthy reserves.

##### Income and expenditure

Income for the year reduced by £1.9 million to £15 million (2020: £16.9 million) largely due to lower events and partnerships income, which was impacted by COVID-19 lockdown and social distancing measures. We received £0.1m of CJRS income in the financial year.

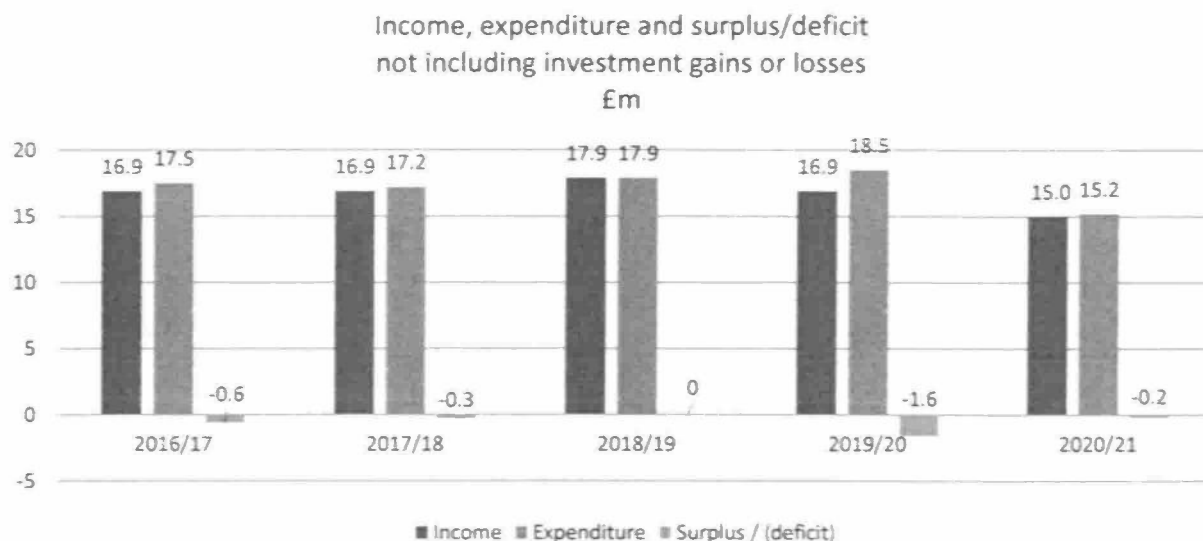
Expenditure for the year was £15.2 million (2020: £18.5 million). The reduction is due to reduced contract expenditure, fewer events delivered, and savings made on travel and office costs. The operating deficit for the year was £0.2 million (2020: £1.6 million) which, after including the investment gain of £0.9 million (2020: £0.2m loss), improved to a £0.7 million surplus for the year (2020: £1.8 million deficit).

Over the period 2016/17 to 2019/20 income was relatively stable at around £16.9 million, with a peak of £17.9 million in 2018/19. The charity then saw a significant reduction of £1.9 million from 2019/20 to 2020/21. The reduction was driven by reduced contract, and events and partnership income. Income is budgeted to increase in 2022 (and subsequent years) due to the rollout of our new fee structure under the new membership model, our plans to run a virtual annual conference in June 2021 (and a return to a full face-to-face conference in 2022 and thereafter) and increased baseline contract income.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021



#### Balance sheet

Net assets stood at £8.3 million (2020: £7.6 million). Free reserves excluding restricted funds and fixed assets were £7.7 million (2020: £6.9 million).

Trade debtors stood at £3.2 million (2020: £5.6 million). Trade debtors are at a high point in March as this is when membership invoices are issued - £2.8 million of this amount relates to annual membership fees (2020: £2.3 million).

Cash balances were £5.3 million (2020: £1.4 million) reflecting lower trade debtors and the withdrawals from our investment portfolio (see below).

The investment portfolio was valued at £5.2 million (2020: £5.5 million). This year-end position is net of cash withdrawals of £1.3 million, which were made from our investment portfolio during the year in order to fund anticipated cash flow requirements over the next financial year ending 31 March 2022. In view of our improving operating performance, no further cash withdrawals from the portfolio are anticipated during the year to 31 March 2022.

Total funds for the year stood at £8.3m (2020: £7.6m).

#### Reserves policy

The target for free reserves continues to be based on the closure costs for the organisation. The target range for reserves remains at £4.1 million to £6.2 million. At 31 March 2021, the free reserves

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

stood at £7.7 million (2020 £6.9 million), which was higher than the target range. The 2021/22 business plan includes spending of £0.4 million from reserves, primarily to develop new membership services for the PCN and ICS networks and finalise the implementation of the new customer relationship management system. This reserve spend was carried over from 2020/21 – no additional reserve spend has been budgeted in 2021/22. The reserves policy will be reviewed in 2021/22 to ensure the range is still appropriate.

#### **Investment policy**

The trustees determined that the objective of holding the investment portfolio is to secure a balance between income and long-term capital growth, achieving total returns in real terms over a five-to-seven-year timeframe. The portfolio is managed by Sarasin & Partners LLP, a firm of investment managers, and the funds have been invested in the Sarasin Endowment Fund and the Sarasin Income and Reserves Fund. The investment committee continues to review the investment policy and objectives and the performance of the investment portfolio. The gain on the investment portfolio was £0.9m for 2020/21.

The trustees recognise and accept the risks involved in making investments in order to generate capital growth to protect the funds against inflation, as well as providing a modest income.

#### **Crowe cost review**

The trustees requested that a cost review was undertaken in the financial year. Crowe UK was appointed in May 2020 following a formal tender exercise. The work was completed over a five-week period starting in June 2020. The key themes emerging from the review were:

- culture, structure, and employee costs
- core costs and recharges
- contract costing and pricing
- systems and process.

An implementation group was established to ensure the recommendations were progressed. Most recommendations were implemented within the financial year, any outstanding will be delivered in 2021/22.

#### **Qualifying third party indemnity provisions**

The charitable company has made qualifying third-party indemnity provisions for the benefit of its trustees during the year. These provisions remain in force at the reporting date.

## THE NHS CONFEDERATION

### TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

---

#### Auditor

In accordance with the existing articles of association, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company was put to a general meeting of members on 16 June 2021.

#### Statement of disclosure to auditor

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each trustee has taken all the necessary steps to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The trustees' report is prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006 and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the board of trustees

on 15 July 2021 and signed on their behalf by:

Signed:   
Victor O Adebowale (2021-07-15 10:24:10)

Name: Victor O Adebowale

Trustee

## THE NHS CONFEDERATION

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

---

The trustees, who are also directors of The NHS Confederation for the purpose of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### Opinion

We have audited the financial statements of The NHS Confederation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities incorporating the Income and Expenditure account, Consolidated Balance Sheet, Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION**

---

### **Other information**

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION**

---

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **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 the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the parent charitable company's governing document and employment tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

Enquiries were made of management and Trustees, and minutes of Trustees meetings were reviewed, in relation to laws and regulations where non-compliance could have an indirect impact on the financial statements.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and agreeing income to third party documentation.

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION

---

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

LUCY ROBSON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Central Square

5<sup>th</sup> Floor

29 Wellington Street

Leeds

LS1 4DL

Date: 20/09/21

## THE NHS CONFEDERATION

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

|                                    | Notes | Unrestricted<br>Funds 2021<br>£ | Restricted<br>Funds 2021<br>£ | Total Funds<br>2021<br>£ | Total Funds<br>2020<br>£ |
|------------------------------------|-------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income from:</b>                |       |                                 |                               |                          |                          |
| Charitable activities              | 3     | 14,156,866                      | 139,943                       | 14,296,809               | 14,769,103               |
| Other trading activities           | 4     | 473,233                         | -                             | 473,233                  | 1,962,241                |
| Investments                        |       | 173,049                         | -                             | 173,049                  | 189,845                  |
| Other income                       |       | 102,685                         |                               | 102,685                  | -                        |
| <b>Total income</b>                |       | <b>14,905,833</b>               | <b>139,943</b>                | <b>15,045,776</b>        | <b>16,921,189</b>        |
| <b>Expenditure on:</b>             |       |                                 |                               |                          |                          |
| Charitable activities              | 5     | 14,039,830                      | 139,943                       | 14,179,773               | 16,590,407               |
| Other trading activities           | 7     | 1,031,765                       | -                             | 1,031,765                | 1,941,982                |
| <b>Total expenditure</b>           |       | <b>15,071,595</b>               | <b>139,943</b>                | <b>15,211,538</b>        | <b>18,532,389</b>        |
| Net gains/(losses) on investments  |       | 911,770                         | -                             | 911,770                  | (180,977)                |
| <b>Net movement in funds</b>       |       | <b>746,008</b>                  | <b>-</b>                      | <b>746,008</b>           | <b>(1,792,177)</b>       |
| Total funds brought forward        |       | 7,566,012                       | -                             | 7,566,012                | 9,358,189                |
| <b>Total funds carried forward</b> |       | <b>8,312,020</b>                | <b>-</b>                      | <b>8,312,020</b>         | <b>7,566,012</b>         |

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

|   | Notes | 2021             |                  | 2020             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 11    |                  | 97,438           |                  | -                |
| Tangible fixed assets                                 | 12    |                  | 480,135          |                  | 682,110          |
| Investments   | 13    |                  | <u>5,160,812</u> |                  | <u>5,549,042</u> |
|   |       |                  | 5,738,385        |                  | 6,231,152        |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 14    | 3,599,490        |                  | 6,119,428        |                  |
| Cash at bank  |       | <u>5,298,836</u> |                  | <u>1,392,066</u> |                  |
|   |       | 8,898,326        |                  | 7,511,494        |                  |
| <b>Creditors: amounts falling due within one year</b> | 15    | (6,324,690)      |                  | (6,176,634)      |                  |
| <b>Net current assets</b>                             |       |                  | <u>2,573,635</u> |                  | <u>1,334,860</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>8,312,020</u> |                  | <u>7,566,012</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 577,572          |                  | 682,110          |                  |
| General unrestricted funds                            |       | 7,734,448        |                  | 6,883,902        |                  |
| <b>Total funds</b>                                    | 19    |                  | <u>8,312,020</u> |                  | <u>7,566,012</u> |

The notes on pages 45-70 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 15 July 2021 and are signed on their behalf.

Signed:  .....  
Victor O Adebawale (2021-03-31)

Name: Victor O Adebawale .....

Trustee

# THE NHS CONFEDERATION

Company Registration No. 04358614

## CHARITY BALANCE SHEET AS AT 31 MARCH 2021

|   | Notes | 2021             |                  | 2020             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | £                | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible fixed assets                               | 11    |                  | 97,438           |                  | -                |
| Tangible fixed assets                                 | 12    |                  | 480,135          |                  | 682,110          |
| Investments   | 13    |                  | 5,160,812        |                  | 5,549,042        |
|   |       |                  | <u>5,738,385</u> |                  | <u>6,231,152</u> |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 14    | 3,564,484        |                  | 5,601,938        |                  |
| Cash at bank  |       | <u>4,930,318</u> |                  | <u>1,216,475</u> |                  |
|   |       | 8,494,802        |                  | 6,818,413        |                  |
| <b>Creditors: amounts falling due within one year</b> | 15    | (5,923,549)      |                  | (5,957,957)      |                  |
| <b>Net current assets</b>                             |       |                  | <u>2,571,253</u> |                  | <u>860,456</u>   |
| <b>Total assets less current liabilities</b>          |       |                  | <u>8,309,638</u> |                  | <u>7,091,608</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| <u>Unrestricted funds:</u>                            |       |                  |                  |                  |                  |
| Funds represented by fixed assets                     |       | 577,572          |                  | 682,110          |                  |
| General unrestricted funds                            |       | 7,732,066        |                  | 6,409,498        |                  |
| <b>Total funds</b>                                    | 19    |                  | <u>8,309,638</u> |                  | <u>7,091,608</u> |

The charitable company's gross income for the year was £14,573,121 (2020 - £13,653,970) and result for the year was a net increase in funds of £1,218,030 (2020 – net decrease of £1,827,686)

The notes on pages 45-70 form part of these accounts.

The financial statements were approved and authorised for issue by the board of trustees on 15 July 2021 and are signed on their behalf.

Signed:  .....

Name: Victor O Adebawale .....

Trustee

## THE NHS CONFEDERATION

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

|   | Notes | 2021                    |   | 2020                    |   |
|---|-------|-------------------------|---|-------------------------|---|
|   |       | £                       | £ | £                       | £ |
| <b>Cash flows from operating activities</b>                 |       |                         |   |                         |   |
| Cash generated from/(absorbed by operations)                | 20    | <u>2,531,159</u>        |   | <u>(4,060,965)</u>      |   |
| <b>Net cash inflow/(outflow) from operating activities</b>  |       | 2,531,159               |   | (4,060,965)             |   |
| <b>Cash flows from investing activities</b>                 |       |                         |   |                         |   |
| Purchase of intangible fixed assets                         |       | (97,438)                |   | (661,227)               |   |
| Proceeds from sale of fixed assets                          |       |                         |   | 40                      |   |
| Proceeds from sale of investments                           |       | 1,300,000               |   | 2,000,000               |   |
| Interest received   |       | <u>173,049</u>          |   | <u>189,845</u>          |   |
| <b>Net cash generated from investing activities</b>         |       | <u>1,375,611</u>        |   | <u>1,528,658</u>        |   |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       | 3,906,770               |   | (2,532,307)             |   |
| <b>Cash and cash equivalents at beginning of year</b>       |       | 1,392,066               |   | 3,924,373               |   |
| <b>Cash and cash equivalents at end of year</b>             |       | <u><u>5,298,836</u></u> |   | <u><u>1,392,066</u></u> |   |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 1. Accounting policies

##### Charity information

The NHS Confederation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ. The principal activities of the group are noted on page 5.

##### Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

##### Parent statement of financial activities

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities as it prepares group accounts and the charitable company's individual balance sheet shows its gross income and result for the year.

##### Reduced disclosures

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charitable company, which are intended to give a true and fair view of the assets, liabilities, financial position and movement in group funds. The charitable company has therefore taken advantage of exemptions from the following disclosure requirements for charitable company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

##### Basis of consolidation

The consolidated financial statements incorporate those of the NHS Confederation and its subsidiary (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### Going concern

The group had a net increase in funds during the year of £746,008 (2020 - net decrease of £1,792,177) At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Reassurance is achieved through the review of the three-year plan, forecast data and a 12-month forward looking cash flow. The trustees have included the operational and financial impacts of COVID-19 in their considerations. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is measured at the fair value of the consideration received or receivable, net of discounts and value added tax.

#### Membership subscriptions

Income is all released in the first month of the financial year in which it relates to.

#### Contract income

Income is recognised based on delivery under the terms of the contract. Where contracts span more than one year, revenue is recognised based on costs incurred. Contract income can be recognised using a percentage of work delivered if deemed more appropriate.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

##### Events, sponsorship, exhibition, and delegate income

Income is recognised at the date of the event.

##### Grant income

Grant income is recognised when the charity has entitlement to the funds and is recorded in accordance with the grant terms.

##### Deferred income

Income invoiced in advance is accounted for as deferred income in the Balance Sheet and released to the statement of financial activities in the year in which it relates. Deferred income will also arise when work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

##### Government grants

Government grants have been received in the year relating to the Government Coronavirus Job Retention Scheme ('Furlough'). These are recognised in "Other Income" within Income & Expenditure in the same period as the related expenditure.

##### Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

All expenditure is accounted for on an accrual basis and is classified under headings that aggregate all costs related to the category.

Expenditure on charitable activities comprises those costs incurred influencing on behalf of our members, representing NHS organisations on workforce issues, and bringing those organisations and members together to share learning. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, IT, human resources, and governance costs which support the charity programmes and activities.

Expenditure is shown net of VAT but includes any irrecoverable VAT.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

##### Intangible fixed assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses.

Expenditure on developing new finance and HR systems for internal use has been capitalised during the year in accordance with FRS 102, and will be amortised on a straight line basis over five years from the point at which they are ready to use (1 April 2021), five years being the expected useful life of the asset.

##### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

|                                   |   |
|-----------------------------------|---|
| Furniture, fixtures, and fittings | 40 per cent straight line or over the term of the lease |
| Computer and other equipment      | 33 per cent straight line                               |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### Cash and cash equivalents

Cash and cash equivalents comprise funds held in current and instant access deposit bank accounts.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

##### Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

Basic financial assets, which include trade debtors, accrued income, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure).

##### Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

##### **Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### Accounting policies (Continued)

##### Multi-employer plans

The charity participates in two multi-employer pension schemes for its employees, as outlined in note 18. For both schemes there is insufficient information to use defined benefit accounting, they are therefore treated as defined contribution schemes for accounting purposes and the contributions recognised in the period to which they relate.

##### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

##### Agency arrangements

The charity acts as an agent for the NI Public Sector Chairs forum. Related receipts and subsequent payments are excluded from the Statement of Financial Activities to the extent that the charity does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included in creditors.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### **2. Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### **Revenue recognition**

Revenue received during the year for contracts is recognised based on the contract price (net of VAT) and on agreement with the customer that the services have been provided in line with the specification. Where contracts are part completed at the year-end date revenue is recognised by measuring costs incurred to date. In this instance, deferred income arises on agreement with the customer that work may be delivered in the following year. Revenue can be recognised using a percentage of work delivered if deemed more appropriate.

#### **Key sources of estimation uncertainty**

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### **Impairment of debtors**

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the trustees consider factors including the ageing profile of the debtor. See note 14 for the net carrying amount of the debtors.

#### **Useful economic lives of intangible and tangible assets**

The annual amortisation charge for intangible assets and the annual depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See notes 11 & 12 for the carrying amount of the intangible and tangible fixed assets and note 1 for the useful economic lives for each class of assets.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 3. Income from charitable activities

|   | 2021              | 2020              |
|---|-------------------|-------------------|
|   | £                 | £                 |
| Membership subscriptions                | 2,811,806         | 3,598,652         |
| Contract delivery                       | 10,967,139        | 10,081,463        |
| Grant income                            | 139,943           | 247,062           |
| Conference centre income                | 76,812            | 602,984           |
| Other income from charitable activities | 301,109           | 238,942           |
|   | <u>14,296,809</u> | <u>14,769,103</u> |

Grant income of £139,943 (2020: £247,062) is classed as restricted income in this financial year. All other income from charitable activities is classed as unrestricted income in both years.

#### 4. Income from other trading activities

|                          | 2021           | 2020             |
|--------------------------|----------------|------------------|
|                          | £              | £                |
| Publications income      | 3,496          | 19,831           |
| Audio visual income      | 1,569          | 30,099           |
| Membership subscriptions | 41,258         | 39,117           |
| Events and partnerships  | 387,911        | 1,764,794        |
| Contract delivery        | 39,000         | 108,400          |
|                          | <u>473,233</u> | <u>1,962,241</u> |

All income from trading activities is classed as unrestricted income in both years.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 5. Expenditure on charitable activities

|                          | Direct costs      | Support costs    | Total 2021        | Total 2020        |
|--------------------------|-------------------|------------------|-------------------|-------------------|
|                          | £                 | £                | £                 | £                 |
| Membership subscriptions | 2,925,740         | 755,067          | 3,680,807         | 5,105,933         |
| Events and partnerships  | 147,675           | 38,111           | 185,786           | 531,195           |
| Contract delivery        | 7,709,022         | 1,989,524        | 9,698,546         | 9,814,483         |
| Grants                   | 139,943           | -                | 139,943           | 236,666           |
| Digital expenditure      | 91,560            | 23,629           | 115,189           | 144,167           |
| Conference centre        | 285,755           | 73,747           | 359,502           | 757,963           |
|                          | <u>11,299,695</u> | <u>2,880,078</u> | <u>14,179,773</u> | <u>16,590,407</u> |

Expenditure of £139,943 (2020: £247,062) is classed as restricted in the year. All other expenditure on charitable activities is classed as unrestricted expenditure in both years.

#### 6. Support costs

|                        | 2021             | 2020             |
|------------------------|------------------|------------------|
|                        | £                | £                |
| Management             | 798,969          | 834,979          |
| Governance costs       | 87,068           | 100,443          |
| Finance                | 262,090          | 296,137          |
| Information technology | 480,065          | 515,570          |
| Human resources        | 399,882          | 278,283          |
| Accommodation          | <u>852,004</u>   | <u>1,115,948</u> |
|                        | <u>2,880,078</u> | <u>3,141,360</u> |

Support costs are allocated based on direct costs of each activity as a percentage of total direct costs.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 7. Expenditure on other trading activities

|   | 2021             | 2020             |
|---|------------------|------------------|
|   | £                | £                |
| Publications expenditure                  | 1,062            | 6,261            |
| Audio visual expenditure                  | 615              | 3,256            |
| Membership subscriptions                  | -                | 21,075           |
| Events and partnerships                   | 867,579          | 1,637,331        |
| Contract delivery                         | -                | 26,076           |
| Other administrative expenses             | 162,509          | 247,983          |
| Expenditure from other trading activities | <u>1,031,765</u> | <u>1,941,982</u> |

All expenditure on trading activities is classed as unrestricted expenditure in both years.

#### 8. Net movement in funds

|   | 2021           | 2020           |
|---|----------------|----------------|
|   | £              | £              |
| Net movement in funds is stated after charging  |                |                |
| Fees payable to the company's auditor and its associates<br>in respect of both audit and non-audit services are as follows: |                |                |
| - Audit   | 50,024         | 49,000         |
| - Other non-audit services  | 2,629          | 11,588         |
| Depreciation of owned tangible fixed assets   | 201,976        | 170,073        |
| Loss on disposal of tangible fixed assets   | -              | 15,975         |
| Operating lease charges   | <u>555,478</u> | <u>620,738</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 9. Trustees

During the year, The NHS Confederation interim chair, Andrew Cash, was remunerated £6,276 (2020 - £17,335) and the permanent chair, Victor Adebowale (appointed April 2020), was remunerated £46,591 (2020 - £nil) in accordance with the articles of association and the permission granted by the Charity Commission. Graham Jackson received remuneration of £63,763 (2019 - £51,570) for consultancy services provided to the charity, which is separate from his activities as a trustee.

Expenses incurred on behalf of the charitable company and reimbursed to trustees during the year amounted to £nil (2020 - £103 to four trustees). Expenses paid directly to third parties on behalf of trustees during the year amounted to £nil (2020 - £4,333).

No pension contributions were made on behalf of any of the trustees.

#### 10. Employees

##### Number of employees

The average monthly number of employees during the year was:

|  | 2021<br>Number | 2020<br>Number |
|--|----------------|----------------|
|  | 210            | 216            |

##### Employment costs

|                       | 2021<br>£         | 2020<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 9,174,230         | 9,677,254         |
| Social security costs | 990,568           | 1,061,472         |
| Pension costs         | 786,213           | 774,813           |
|                       | <u>10,951,011</u> | <u>11,513,539</u> |

Wages and salaries includes seconded and agency staff of £157,167 (2020 - £431,090).

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 10. Employees (Continued)

The number of employees whose annual remuneration was £60,000 or more were:

|                   | 2021<br>Number | 2020<br>Number |
|-------------------|----------------|----------------|
| £260,000-£269,999 | -              | 1              |
| £240,000-£249,999 | -              | -              |
| £170,000-£179,999 | 1              | -              |
| £160,000-£169,999 | -              | 1              |
| £150,000-£159,999 | -              | 1              |
| £140,000-£149,999 | 1              | -              |
| £130,000-£139,999 | 1              | -              |
| £120,000-£129,999 | 2              | 3              |
| £110,000-£119,999 | 3              | 2              |
| £100,000-£109,999 | 1              | 4              |
| £90,000-£99,999   | 1              | 1              |
| £80,000-£89,999   | 4              | 1              |
| £70,000-£79,999   | 7              | 8              |
| £60,000-£69,999   | 18             | 13             |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 11. Intangible fixed assets

##### Group and charity

|                              | System<br>Development<br>£ | Total<br>£    |
|------------------------------|----------------------------|---------------|
| <b>Cost</b>                  |                            |               |
| At 1 April 2020              | -                          | -             |
| Additions                    | 97,438                     | 97,438        |
| Disposals                    | -                          | -             |
| At 31 March 2021             | <u>97,438</u>              | <u>97,438</u> |
| <b>Amortisation</b>          |                            |               |
| At 1 April 2020              | -                          | -             |
| Amortisation charged in year | -                          | -             |
| At 31 March 2021             | <u>-</u>                   | <u>-</u>      |
| <b>Carrying amount</b>       |                            |               |
| At 31 March 2021             | <u>97,438</u>              | <u>97,438</u> |
| At 31 March 2020             | <u>-</u>                   | <u>-</u>      |

No amortisation has been charged in the year ended 31 March 2021 as the new Finance & HR system was not brought into use until 1<sup>st</sup> April 2021.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 12. Tangible fixed assets

| Group and charity            | Furniture,<br>fixtures and<br>fittings<br>£ | Computer and<br>other<br>equipment<br>£ | Total<br>£     |
|------------------------------|---|---|----------------|
| <b>Cost</b>                  |   |   |                |
| At 1 April 2020              | 743,530                                     | 113,214                                 | 856,744        |
| Additions                    | -   | -                                       | -              |
| Disposals                    | -   | (67,933)                                | (67,933)       |
| At 31 March 2021             | <u>743,530</u>                              | <u>45,281</u>                           | <u>788,811</u> |
| <b>Depreciation</b>          |   |   |                |
| At 1 April 2020              | 88,179                                      | 86,455                                  | 174,634        |
| Depreciation charged in year | 178,131                                     | 23,845                                  | 201,976        |
| Eliminated on disposal       | -   | (67,933)                                | (67,933)       |
| At 31 March 2021             | <u>266,310</u>                              | <u>42,367</u>                           | <u>308,677</u> |
| <b>Carrying amount</b>       |   |   |                |
| At 31 March 2021             | <u>477,220</u>                              | <u>2,914</u>                            | <u>480,135</u> |
| At 31 March 2020             | <u>655,351</u>                              | <u>26,759</u>                           | <u>682,110</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 13. Investments

| Group and charity                   | Listed<br>investments<br>£ |                  |
|-------------------------------------|----------------------------|------------------|
| <b>Cost or valuation</b>            |                            |                  |
| At 1 April 2020                     |                            | 5,549,042        |
| Sales                               |                            | (1,296,000)      |
| Purchases                           |                            | 2,460            |
| Valuation changes                   |                            | 905,310          |
| At 31 March 2021                    |                            | <u>5,160,812</u> |
| <b>Carrying amount</b>              |                            |                  |
| At 31 March 2021                    |                            | <u>5,160,812</u> |
| At 1 April 2020                     |                            | <u>5,549,042</u> |
|                                     | <b>2021</b>                | <b>2020</b>      |
|                                     | £                          | £                |
| Investments at fair value comprise: |                            |                  |
| Fixed income                        | 1,096,408                  | 1,363,133        |
| Equities                            | 3,242,951                  | 3,167,193        |
| Property                            | 101,336                    | 142,872          |
| Alternative investments             | 412,958                    | 512,096          |
| Liquid assets                       | 307,159                    | 363,748          |
|                                     | <u>5,160,812</u>           | <u>5,549,042</u> |

#### Fixed asset investments revalued

At 31 March 2021, the historical cost of investments was £3,200,000 (2020 - £4,500,000) with net gains of £1,960,812 (2020 - £1,049,042).

Valuations are based on bid price at the close of business on the valuation date. Investments are included at their fair value as at the year-end date.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 14. Debtors

|  | Group            |                  | Charity          |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2021             | 2020             | 2021             | 2020             |
|  | £                | £                | £                | £                |
| <b>Amounts falling due within one year:</b>          |                  |                  |                  |                  |
| Trade debtors  | 3,181,277        | 5,585,615        | 3,053,040        | 5,279,899        |
| Amounts due from fellow group undertakings           | -                | -                | 332,738          | -                |
| Other debtors  | -                | 7,466            | -                | 7,466            |
| Prepayments and accrued income                       | 318,409          | 496,170          | 178,706          | 314,573          |
|  | <u>3,499,686</u> | <u>6,089,251</u> | <u>3,564,484</u> | <u>5,601,938</u> |
| <b>Amounts falling due after more than one year:</b> |                  |                  |                  |                  |
| Prepayments and accrued income                       | 99,804           | 30,177           | -                | -                |
|  | <u>99,804</u>    | <u>30,177</u>    | <u>-</u>         | <u>-</u>         |
| <b>Total debtors</b>                                 | <u>3,599,490</u> | <u>6,119,428</u> | <u>3,564,484</u> | <u>5,601,938</u> |

#### 15. Creditors: amounts falling due within one year

|                                    | Group            |                  | Charity          |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | 2021             | 2020             | 2021             | 2020             |
|                                    | £                | £                | £                | £                |
| Trade creditors                    | 142,871          | 590,051          | 135,191          | 425,928          |
| Amounts due to group undertakings  | -                | -                | -                | 426,093          |
| Other taxation and social security | 1,325,005        | 724,785          | 1,325,005        | 755,040          |
| Other creditors and accruals       | 1,059,339        | 1,316,071        | 1,059,033        | 1,241,569        |
| Deferred income                    | 3,797,475        | 3,545,727        | 3,404,320        | 3,109,327        |
|                                    | <u>6,324,690</u> | <u>6,176,634</u> | <u>5,923,549</u> | <u>5,957,957</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 16. Deferred income

Deferred income comprises both income invoiced in advance and instances where work is incomplete at the year end and the customer agrees for this work to be completed in the following year.

|  | Group<br>£  | Charity<br>£ |
|--|-------------|--------------|
| At 1 April 2020                                      | 3,545,727   | 3,109,327    |
| Amount released to Statement of Financial Activities | (4,339,936) | (3,740,111)  |
| Amount deferred in year                              | 4,591,684   | 4,035,104    |
|  | <hr/>       | <hr/>        |
| At 31 March 2021                                     | 3,797,475   | 3,404,320    |

#### 17. Financial instruments

|   | 2021<br>£        | 2020<br>£        |
|---|------------------|------------------|
| <b>Carrying amount of financial assets</b>                          |                  |                  |
| Debt instruments measured at amortised cost                         | 3,204,213        | 5,790,106        |
| Instruments measured at fair value through net income/(expenditure) | <u>5,160,812</u> | <u>5,549,042</u> |
| <b>Carrying amount of financial liabilities</b>                     |                  |                  |
| Measured at amortised cost  | <u>1,202,210</u> | <u>1,906,121</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### **18. Retirement benefits**

The organisation contributes to a number of pension schemes.

The NHS Confederation is able to maintain access to the NHS Pension Scheme (for a maximum of five years) and the Civil Service Pension Scheme for staff who are recruited from these sectors and already contribute to these schemes.

The Federated Flexiplan No.1 was a defined benefit pension scheme previously operated. This plan is closed to new members and to future accrual of benefits.

The organisation makes a contribution of either 6 per cent or 9 per cent (staff contributing 3 per cent or 6 per cent) to a defined contribution pension scheme (Scottish Widows) for all employees unless they opt out.

Contributions amounting to £150,382 (2020 - £143,025) were payable to the schemes at 31 March 2021 and are included within other creditors and accruals.

# THE NHS CONFEDERATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 19. Unrestricted funds

| Group                                | Movement in funds               |  |   |  | Balance at 31<br>March 2021<br>£ |
|--------------------------------------|---------------------------------|--|---|--|----------------------------------|
|                                      | Balance at 1<br>April 2020<br>£ | Movement<br>in tangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                  |
| Funds represented<br>by fixed assets | 682,110                         | (104,538)                                    | -   | -  | 577,572                          |
| General unrestricted<br>funds        | 6,883,902                       | -  | (61,224)  | 911,770                                  | 7,734,448                        |
|                                      | <u>7,566,012</u>                | <u>(104,538)</u>                             | <u>(61,224)</u>                                       | <u>911,770</u>                           | <u>8,312,020</u>                 |

| Group                                | Movement in funds               |  |   |  | Balance at 31<br>March 2020<br>£ |
|--------------------------------------|---------------------------------|--|---|--|----------------------------------|
|                                      | Balance at 1<br>April 2019<br>£ | Movement<br>in tangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                  |
| Funds represented<br>by fixed assets | 206,971                         | 475,139                                      | -   | -  | 682,110                          |
| General unrestricted<br>funds        | 9,151,218                       | (661,187)                                    | (1,425,152)   | (180,977)                                | 6,883,902                        |
|                                      | <u>9,358,189</u>                | <u>(186,048)</u>                             | <u>- 1,425,152</u>                                    | <u>- 180,977</u>                         | <u>7,566,012</u>                 |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 19. Unrestricted funds (continued)

| Charity                              | Movement in funds               |  |   |  | Balance at 31<br>March 2021<br>£ |
|--------------------------------------|---------------------------------|--|---|--|----------------------------------|
|                                      | Balance at 1<br>April 2020<br>£ | Movement<br>in tangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                  |
| Funds represented<br>by fixed assets | 682,110                         | (104,538)                                    | -   | -  | 577,572                          |
| General unrestricted<br>funds        | 6,409,498                       | -  | 410,798   | 911,770                                  | 7,732,066                        |
|                                      | <u>7,091,608</u>                | <u>(104,538)</u>                             | <u>410,798</u>  | <u>911,770</u>                           | <u>8,309,638</u>                 |

| Charity                              | Movement in funds               |  |   |  | Balance at 31<br>March 2020<br>£ |
|--------------------------------------|---------------------------------|--|---|--|----------------------------------|
|                                      | Balance at 1<br>April 2019<br>£ | Movement<br>in tangible<br>fixed assets<br>£ | Other<br>charitable<br>income and<br>expenditure<br>£ | Revaluations<br>gains and<br>losses<br>£ |                                  |
| Funds represented<br>by fixed assets | 206,971                         | 475,139                                      | -   | -  | 682,110                          |
| General unrestricted<br>funds        | 8,712,323                       | (661,187)                                    | (1,460,661)   | (180,977)                                | 6,409,498                        |
|                                      | <u>8,919,294</u>                | <u>(186,048)</u>                             | <u>- 1,460,661</u>                                    | <u>- 180,977</u>                         | <u>7,091,608</u>                 |

#### 20. Restricted funds

Income relating to restricted funds was received during the year ended 31 March 2021 but had all been spent by the year-end date, meaning balance on restricted funds at this date was nil.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 21. Cash generated from operations

|   | 2021             | 2020               |
|---|------------------|--------------------|
|   | £                | £                  |
| Surplus/(deficit) for the year                                    | 746,008          | (1,792,177)        |
| Adjustments for:  |                  |                    |
| Investment income recognised in statement of financial activities | (173,049)        | (189,845)          |
| Loss on disposal of tangible fixed assets                         | -                | 15,975             |
| Fair value losses and (gains) on investments                      | (911,770)        | 180,977            |
| Depreciation of tangible fixed assets                             | 201,975          | 170,073            |
| Movements in working capital                                      |                  |                    |
| (Increase)/decrease in debtors                                    | 2,519,938        | (1,380,269)        |
| Increase/(Decrease) in creditors                                  | 148,057          | (1,065,699)        |
| Cash (absorbed by)/generated from operations                      | <u>2,531,159</u> | <u>(4,060,965)</u> |

#### 22. Operating leases

At the reporting end date, the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2021             | 2020             |
|----------------------------|------------------|------------------|
|                            | £                | £                |
| Within one year            | 577,307          | 350,930          |
| Between one and five years | 1,128,443        | 1,628,544        |
|                            | <u>1,705,750</u> | <u>1,979,474</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 23. Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel, being the CEO and the directors of the various directorates, is as follows:

|                        | 2021<br>£ | 2020<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 1,604,427 | 1,737,325 |

During the year, the charitable company had the following related party transactions due to a trustee or co-opted committee member being on the board or an employee of another organisation.

| 2021<br>Related Party                            | Description of Relationship           | Confederation |         | Services | Confederation |   |
|--|---------------------------------------|---------------|---------|----------|---------------|---|
|  |                                       | Income        | Expense | Income   | Debtor        |   |
|  |                                       | £             | £       | £        | £             | £ |
| Nuffield Health                                  | Chair is Non-Exec Director            | 9,261         | -       | -        | 6,970         |   |
| Unique Health Solutions Ltd                      | Chair is Director                     | -             | 6,276   | -        | -             |   |
| Powys Teaching Health Board                      | Trustee is Chair                      | 35,050        | -       | -        | 39,660        |   |
| Tavistock and Portman NHS Foundation Trust       | Trustee is Chief Executive            | 9,010         | -       | -        | 9,010         |   |
| Derbyshire Community Health Services NHS Trust   | Trustee is Chair                      | 6,944         | -       | 75       | -             |   |
| Rotherham, Doncaster & South Humber NHS FT       | Spouse of Trustee is Chief Executive  | 9,940         | -       | -        | 9,940         |   |
| Milton Keynes Hospital NHS Trust                 | Trustee is Chief Executive            | 7,543         | -       | -        | 7,543         |   |
| NI Ambulance Service                             | Trustee is Chief Executive            | 4,539         | -       | -        | 4,539         |   |
| Calderdale and Huddersfield NHS Foundation Trust | Trustee is Chief Executive            | 8,927         | -       | -        | 8,927         |   |
| University of Sheffield                          | Trustee is Professor (Visiting Chair) | -             | 9,750   | -        | -             |   |
| Cardiff University                               | Trustee is Emiratias Professor        | -             | 16,947  | -        | -             |   |
| Whitehill Surgery Aylesbury                      | Trustee is a partner of the surgery   | -             | 16,650  | -        | -             |   |
| Allocate Software                                | Trustee is Senior Advisor             | -             | -       | 1,500    | -             |   |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 23. Related party transactions (continued)

| 2020 | Related Party                                    | Description of Relationship             | Confederation |         | Services | Confederation |          | Services |
|------|--|---|---------------|---------|----------|---------------|----------|----------|
|      |  |   | Income        | Expense | Income   | Debtor        | Creditor | Debtor   |
|      |  |   | £             | £       | £        | £             | £        | £        |
|      | LaingBuisson Limited                             | Charity Chair was Chair                 | -             | 24,579  | 2,850    | -             | 18,499   | 3,420    |
|      | Derbyshire Community Health Services NHS Trust   | Trustee is Chair                        | 4,944         | -       | 199      | 4,944         | -        | -        |
|      | Calderdale and Huddersfield NHS Foundation Trust | Trustee is Chief Executive              | 6,427         | -       | -        | 6,427         | -        | -        |
|      | Whitehill Surgery Aylesbury                      | Trustee is a partner of the surgery     | -             | 16,650  | -        | -             | -        | -        |
|      | Gateshead Health NHS Foundation Trust            | Trustee was Chair, left Sep 2019        | 1,681         | -       | 533      | 5,303         | -        | -        |
|      | Care UK  | Trustee is Chief Executive              | -             | -       | 271      | -             | -        | -        |
|      | Tavistock and Portman NHS Foundation Trust       | Trustee is Chief Executive              | 8,010         | -       | 2,714    | 8,010         | -        | -        |
|      | Northern Health & Social Care Trust              | Trustee is Chief Executive              | 12,448        | -       | 432      | 8,712         | -        | 210      |
|      | Yorkshire & Humber AHSN                          | Interim chair of charity is a director  | -             | -       | 7,657    | -             | -        | 6,000    |
|      | B Braun Medical Limited                          | Interim chair is non-executive director | -             | -       | 6,000    | -             | -        | -        |
|      | Welsh Health Specialised Services Committee      | Trustee is Chair                        | -             | -       | 1,000    | -             | -        | -        |
|      | Rotherham, Doncaster & South Humber NHS FT       | Spouse of Trustee is Chief Executive    | 8,940         | -       | 2,094    | 8,940         | -        | (718)    |
|      | Powys Teaching Health Board                      | Trustee is Chair                        | 39,250        | -       | 1,045    | 44,700        | -        | -        |

There are no other related party transactions to disclose.

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 24. Results and net assets of the subsidiary

The wholly owned trading subsidiary, The NHS Confederation (Services) Company Limited (company number 05252407) is incorporated in England and Wales and has a registered office address of 2nd Floor, 18 Smith Square, London, SW1P 3HZ. The subsidiary provides a range of non-charitable activities on behalf of The NHS Confederation.

The summary financial performance of the subsidiary alone is:

|  | 2021             | 2020           |
|--|------------------|----------------|
|  | £                | £              |
| Turnover   | 473,235          | 1,962,240      |
| Cost of sales                                      | (618,044)        | (1,542,364)    |
| Gross (loss)/profit                                | <u>(144,809)</u> | <u>419,876</u> |
| Administrative expenses                            | (162,509)        | (247,983)      |
| Other operating income                             | 7,189            | -              |
| (Loss)/profit before taxation                      | <u>(300,129)</u> | <u>171,893</u> |
| Tax  | -                | -              |
| (Loss)/profit for the financial year               | <u>(300,129)</u> | <u>171,893</u> |
| The assets and liabilities of the subsidiary were: |                  |                |
| Current assets                                     | 736,261          | 1,149,428      |
| Current liabilities                                | (733,879)        | (675,024)      |
| Total net assets                                   | <u>2,382</u>     | <u>474,404</u> |
| Aggregate capital and reserves                     | <u>2,382</u>     | <u>474,404</u> |

## THE NHS CONFEDERATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

---

#### 25. Agency agreement

The charity acts as an agent for the NI Public Sectors Chairs forum. In the financial year ended 31 March 2021, the charity received £23,085 (2020 - £42,550) and disbursed £25,491 (2020 - £34,481) in its role as agent. An amount of £33,517 (2020 - £35,922) is included in other creditors relating to unrestricted funds held as agent at 31 March 2021.