



The Foundation Trust Network operating as
NHS PROVIDERS

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

The Foundation Trust Network
Charity registration number: 1140900
Company registration number: 07525114

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REPORT OF THE TRUSTEES 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, the Companies Act 2006, the organisation's memorandum and articles of association, and Accounting and Reporting by Charities: 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) (Second edition).

Strategic report

The information below, including the review of activities, financial review, risk management statement and summary of future plans forms the strategic report for the purpose of the Companies Act 2006.

The report and financial statements also meet the requirement for a directors' report and accounts under the Companies Act.

About us

The charity's objects are: *the relief of sickness and the preservation and protection of public health through the support of its members as providers of healthcare within the NHS.*

During the year NHS Providers had one wholly owned trading subsidiary company: FTN Trading Limited trading as NHS Providers Trading Limited (company ref 07940647) to operate its annual conference.

About the period covered by this report

This report covers all the group's activities from 1 April 2020 until 31 March 2021.

CHAIR'S REPORT

NHS Providers has had an extraordinary year acting as the membership organisation for the 215 NHS acute hospital, ambulance, community and mental health foundation trusts and trusts who provide healthcare to England's 56 million population.

The trusts we represent have faced enormous challenges in dealing with repeated waves of COVID-19 while treating millions of patients with other conditions and playing a leading role in the biggest vaccination programme in the history of the NHS.

The response to the emergency by trusts and NHS staff has reinforced public gratitude and support for the health service. It showed how trusts, working with partners, are well placed to play a leading role in the evolving integrated health and care landscape. But the pandemic has also created additional demands on the health service, the extent of which are only now starting to become clear.

NHS Providers moved quickly and effectively to provide trusts with the support they needed during the pandemic. Core activities were adapted to provide alternative solutions for members, with a focus on addressing central concerns in the media while working to influence key decisions, particularly over funding and the development of system working. Our programme of events and networking opportunities, including the Annual Conference and Exhibition, went ahead online seamlessly and successfully.

As the continuing excellent results in our member, staff and stakeholder surveys show, NHS Providers has once again delivered for our members and the wider service across all four elements of our strategy – voice, influence, support and excellent organisation. However, recognising the changes wrought by the pandemic and the fast evolving landscape of integrated care, we brought forward our new strategy, mapping out our journey from the voice of NHS providers to the voice of NHS providers working in local systems.

This strategy, now approved by members, underlines our continuing commitment to be an outstanding membership organisation and trade association, unrivalled in the influence voice and support we offer our members. Throughout this very difficult year, I have had many occasions to be grateful to my fellow trustees – 20 busy trust chairs and chief executives – for their time and commitment. The board as a whole would also like to thank our staff team for their hard work and our members for their continuing support.



Sir Ron Kerr
Chair, NHS Providers

OUR OBJECTIVES AND ACTIVITIES

NHS Providers is required by charity and company law to act within the objects of its memorandum of association.

The purpose of the charity, as stated therein, is to enable our members to provide high quality healthcare within the NHS, thereby relieving sickness and protecting public health.

We uphold our duty of public benefit by being an outstanding membership organisation supporting the NHS trusts and foundation trusts who provide frontline healthcare to England's 53 million population. Our members include NHS acute hospitals, community, mental health and ambulance service foundation trusts and trusts that, together, interact with more than 5 million patients and service users a week, employ more than 1.1 million of its 1.2 million staff, and account for £65bn of the £110bn spent by the NHS.

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. NHS Providers' public benefit is enshrined in its charitable objectives as outlined above.

Over the course of 2020/21 we refreshed our organisational strategy to respond to changes in the external environment, including the coronavirus pandemic, and to respond to feedback from our members to deliver our influence, voice and support in the changing context of a rapidly increasing move to integrate health and care and system working at a local level. We therefore launched a new four year strategy in April 2021, as set out below.

Our vision

An outstanding membership organisation and trade association for all NHS providers, unrivalled in the influence, voice and support we offer our members.

Our mission

To enable high quality care for patients and service users, and a reduction in health inequalities, by supporting members to work collaboratively within and across local health and care systems.

Our strategic objectives

Our four strategic objectives drawn from our four-year (2021-25) strategy, are:

- **Influence:** To shape the environment and culture in which our members operate – with a dedicated focus on finances, quality, workforce, governance, regulation, digital transformation, integration and system working.
- **Voice:** To be the collective voice of NHS providers working in local systems, reflecting the diversity of our membership, and championing their interests in the media, government, the NHS and wider health and care community.
- **Support:** To help our members and their local system partners drive improvement and innovation through effective, shared development, support and learning.
- **Excellent organisation:** To provide outstanding value for money to our members, create a supportive environment for staff and continually improve, driven by our values.

Our values

This year we co-produced and launched our new organisational values which reflect the behaviours we seek to model and drive and underpin all of our work.

At NHS Providers, we are:

- **Respectful:** “We act with honesty, compassion, openness and integrity and recognise the contribution each of us makes.”
- **Inclusive:** “We celebrate and champion diversity and seek out different viewpoints. We act to call out and tackle discrimination.”
- **Collaborative:** “We work as a team internally, and with our members, stakeholders and partners to deliver positive results.”
- **Effective:** “We deliver professional, high-quality work which is member led and supports the health and care service to deliver value and positive change for patients.”

KEY ACHIEVEMENTS AND PERFORMANCE

Delivering voice, influence and support for our membership in response to the coronavirus pandemic and supporting the wellbeing of our own staff during lockdown and the shift to virtual working, took precedence throughout 2020/21.

We significantly increased our media profile during the year as a ‘go to’ organisation willing and able to comment authoritatively on the rising pressures on trusts and frontline staff. We played a key and new role in the early days of the pandemic in facilitating direct, timely dialogue between national policy makers and trust chairs and chief executives, continuing to shape policy constructively throughout the year including to embed innovation and learning from the experience of the pandemic. We also pivoted our development, engagement and events offer to virtual platforms swiftly and effectively with excellent feedback which will inform how we manage our support offer going forwards.

Despite the primacy of the pandemic throughout the year, a raft of wider health and care policy development restarted in the summer of 2020, and we have delivered significant achievements in maintaining our influence and voice on the sustainability of the sector, the development of system working and the linked legislative proposals, as well as tackling workforce challenges – alongside a sustained public narrative on the risks and impact created by the coronavirus. We also continued to offer bespoke member support to trust boards, restarting our full offer of networks and engagement on a virtual basis when trusts had sufficient capacity to engage.

We redeployed staff quickly in the early days of the pandemic to focus almost entirely on supporting our members in their response to unprecedented times. As ‘core’ activities restarted in pockets over the course of the year, our staff have often gone above and beyond to manage the additional work created by the pandemic context with limited additional resource.

Below we set out a short summary of our work to support trusts during the pandemic, and summarise key achievements against each of our four strategic objectives: influence, voice, support and excellent organisation, including the priorities we set out for 2020/21 in our previous annual report.

Shaping policy and supporting communication during the pandemic

All of our work over the last year has been set against the backdrop of the challenges created by the pandemic, making our objectives of influence, voice and support more closely intertwined than ever before. We facilitated regular communication between trusts and NHS England and NHS Improvement, highlighting challenges arising from national policy approaches such as the supply and distribution of PPE, the support needed to deliver the vaccination programme, the risk facing care homes, the government's testing strategy and the test and trace regime. We also highlighted the impact of the pandemic on frontline staff, its very concerning deepening of race and health inequalities and the way it has created pent up and rising demand for particular services.

We sustained our impact over the year, repeatedly calling on government to be cautious in easing the lockdown, emphasising the need to look at 'data not dates' and setting four key tests – an approach strongly echoed in the Prime Minister's subsequent roadmap. Our core focus has been on reflecting trusts' achievements, sharing learning from the innovations introduced during the pandemic, and supporting trusts to protect their staff and patients as they recover the care backlog.

In total during the year we:

- Published 92 briefings and reports, underpinned by 10 member surveys and including over a dozen *On the day* and *Next day* briefings
- Submitted 23 consultation responses; and,
- Held over 400 meetings with key national decision makers.

Influence

In addition to our work on the impact of coronavirus, and informed and infused by the experience of the pandemic, we had impact in the following key areas of national policy, as planned:

- **NHS funding and finance:** we continued to make the case for sufficient investment in the NHS, public health and social care with a focus on provider finances and capital investment, payment systems, regulation and the impact of system working. We played an important role in securing an extra £3bn NHS funding for 2021/22, including significant increases in NHS capital and revenue funding including for mental health.. In the wake of new and long-lasting demands created by the pandemic, securing a realistic, funded ask of the NHS remains one of our core priorities.
- **The role of systems:** we informed the thinking of the Department of Health and Social Care (DHSC), NHSE/I and the Health and Social Care Committee on their proposals for legislative change, securing robust engagement mechanisms to ensure providers' views will be reflected. We have sustained detailed engagement on NHSE/I's proposals to develop system working, and provider collaboration, exploring the leadership role of trusts at the levels of neighbourhood, place, ICS and pan ICS. We continued to highlight the importance of robust and rigorous answers to questions of governance, accountability and financial flows through a series of blogs, thought pieces and briefings.
- **Preparing for legislative change:** over the course of the year we increased our engagement with ministers, DHSC and NHSE/I ahead of, and in response to, the publication of the white paper and its wide ranging proposals. We have also ensured additional resource is in place to support our activity on the health and social care bill in 2021/22.
- **Workforce:** we sought a coherent, national approach to address workforce challenges and skills shortages, learning from the experience of the pandemic, influencing the Interim NHS People Plan and giving evidence to the pay review bodies. We also highlighted the impact of race inequality and structural racism within the NHS.

- **Operational performance, recovery and the care backlog:** we maintained our analysis of NHS performance with our NHS Winter watch campaign highlighting the intense pressures on the sector over the winter months, promoting our new NHS activity tracker, and informing the Clinical Review of Standards.
- **Quality:** we worked with the national quality teams to feed into the refreshed Shared Commitment to Quality, holding a series of member roundtables with the Chief Nursing Officer for England, and participating in a number of national working groups focused on developing learning cultures
- **Regulation and oversight:** we focused on shaping the Care Quality Commission's (CQC) strategy and approach to prosecutions, and NHSE/I's new system oversight framework, with a series of engagement events and written consultation submissions, underpinned by our annual regulation survey report.
- **Governance:** we continued to add value offering expertise on the central importance of the unitary board and what is needed for that model to work effectively, the relationship between governance and regulation and the development of accountability structures in the context of system working, publishing a number of blogs and thought pieces.
- **Digital:** underpinned by learning from our successful support programme for boards – Digital Boards - we focused on digital leadership within trusts and representing trusts' views on informatics and the digital agenda to NHSE/I, NHSX and NHS Digital.
- **Brexit:** working in coalition with partners across the sector, we engaged with trusts and national bodies on the implications of Brexit, highlighting trusts' concerns.

Sector focus

- **We supported our mental health leaders** by publishing a key report to highlight the role of mental health providers during the pandemic and the impact on demand, and a dedicated briefing outlining the need for investment in learning disability services to address structural inequities and capital investment across the sector
- **We continued to champion the role of community services via the Community Network which we host in partnership with the NHS Confederation.** This has included a briefing on the key contribution that community providers made in supporting the NHS response to the pandemic, an influencing programme ahead of the 2020 spending review and a key focus on the implications of proposals to develop system working. We also developed our position on what is needed to reduce fragmentation in NHS public health services and mechanisms to achieve greater transparency over commissioning spend on community services
- **We worked in partnership with the Association of Ambulance Chief Executives (AACE)** to highlight the role of the ambulance sector in responding to the pandemic; facilitated discussion with NHSE/I on the sector's role in system working and effective urgent and emergency care pathways; and called on the government to address historic under-funding of the ambulance sector
- **We continued to develop our partnership with the National Association of Primary Care (NAPC) and new relationships with a group of larger scale primary care providers,** including conversations to influence national stakeholder thinking on digital transformation. We have a project underway in partnership with large scale primary care providers to capture case studies of trusts and primary care working together to tackle the elective care backlogs created by the pandemic.
- **We continued our work with Shelford Group and Federation of Specialist Hospitals** to re-engage effectively with NHS England and NHS Improvement on the development of specialised services in the context of system working.

All of our influencing activities are underpinned by constructive relationships with key stakeholders and a robust evidence base. We sustained our stakeholder engagement with key decision makers including the Secretary of State for Health and Social Care, the ministerial team, the health and social care select committee, and other senior parliamentarians, as well as the leadership of NHS England and NHS Improvement, the CQC and other national bodies. Over the past year, we successfully moved our dinner programme for members and key stakeholders online into a new online format and developed a 'Spotlight on...' briefing series for parliamentarians and the media. We completed our annual survey programme, with a greater focus on short, flash surveys to enable trust leaders to engage. Our annual stakeholder survey continues to confirm the very positive views that stakeholders have of NHS Providers and our work.

Voice

'The past year has been pivotal in cementing NHS Providers as not just the 'go to' authority on provider issues but also as a key media commentator on wider NHS issues, willing and able to contribute to national discourse on the impact on the NHS as the pandemic unfolded. Trusts are keen that we sustain our increased presence in the media which has focused on setting out the pressures facing providers and the frontline and promoting trusts' achievements in unprecedented times. This will continue to be important as we approach a public inquiry into the government's response to the pandemic.

From the early stages of the pandemic we were able to draw on our unrivalled access to insightful, up-to-date information from members to address a worrying information gap that could – on occasion – be filled by other less reliable sources. This, combined with our close connections with national NHS leaders, allowed us to present a credible and authoritative picture of what was happening on the ground, on a range of pressing issues including testing, ventilators, PPE, COVID-19 and non-Covid care, support for staff and the vaccination programme.

We pivoted our resources to ensure we were primed to comment proactively and reactively to developments day by day. Our willingness to acknowledge shortcomings, to discuss the reasons behind them, and our ability to anticipate and explain frontline concerns cemented our standing in the eyes of journalists. The regular, assured and knowledgeable media contributions from our Chief Executive and Deputy Chief Executive enhanced NHS providers' profile, and has been highly commended in feedback from members, parliamentarians, and frontline staff.

We have had 36,782 media mentions – more than a fivefold increase on last year - and placed 47 commentary pieces authored by our staff and experts from partnership organisations or members (an increase from 35 last year). We have been a leading commentator on the impact of the pandemic, funding for the NHS, governance and system working.

Engagement with our digital activities has continued to grow and we have seen both NHS Providers' and Chris Hopson's Twitter accounts increase to more than 23,000. We are using video, podcasts and LinkedIn to further increase our reach across digital platforms.

Support

We successfully pivoted all our development and support programmes for trust boards and governors to a virtual format, with an increase in demand and outstanding feedback from those taking part. The use of virtual platforms and blended models will inform our delivery going forwards. In summary we:

- Hosted over 900 senior leaders, stakeholders, and journalists at our virtual annual conference
- Held over 200 development and engagement events for members, involving more than 6,000 delegates, with 97% rating them as good or excellent. This included:
 - 33 network meetings for board level directors
 - 13 virtual roundtables with key system figures
 - 66 board development courses, reaching 888 delegates
 - 49 virtual courses within our Governwell training programme, reaching around 700 NHS governors
- Established a very well-received new Digital Board programme, with a range of direct support and guidance for boards to help them make faster and stronger progress in this area. This included engaging more than 600 directors from over 150 trusts, delivering 25 bespoke board development sessions, a wide range of peer learning events and 3 leadership guides with 11,000 average unique views.
- Delivered our peer support offer for 8 local systems in partnership with the NHS Confederation, NHS Clinical Commissioners and the Local Government Association, focusing in particular on supporting effective collaboration between the NHS and local authorities.
- Secured funding from the Health Foundation to pilot a support offer on trust-wide improvement, based on the scoping work we conducted before the pandemic hit.

Continue to develop and deliver a range of additional tailored support programmes for boards, some of which are supported by external funding where possible and appropriate.

Excellent organisation

New four year strategy

Over the course of 2020/21 we developed a new four year strategy for the organisation in response to the external environment, and in response to feedback from members who want to see us do more to help shape their role in system working. The strategy was developed in partnership with our board, which is reflective of our membership.

In February 2020, we consulted the membership on our proposals for a new strategy underpinned by a revised business model to increase and diversify our income by:

- Increasing commercial income based on appropriate criteria
- Seeking additional statutory income without compromising our independence and growing our income to deliver support programmes for members working with other partners
- Prudently drawing down the reserves we have built up, reducing the need to increase membership fees
- Making a carefully judged uplift in membership fees over a two-year period which includes protections for trusts with a lower turnover, ensuring no trust will be asked to pay more than a £10K increase over the two-year period.

In testament to the organisation's performance over the past year, members were supportive of the new strategy and business model, which launched in April 2021, providing a clear framework for NHS Providers and its staff to build on the strengths of the organisation in coming years.

Shared values and behaviours

The launch of our organisational values this year is an important moment for the organisation. Co produced with the staff team, our values and behaviours underpin our approach and all of our work. We have already undertaken a range of activities in support of this new approach including offering a confidential survey for all staff on internal communications, and updating our appraisal process to integrate full reflection on our shared values.

Feedback from members and stakeholders

During 2020/21 we continued to deliver high professional standards across all our work, ensuring that as an organisation we are fit for purpose and offer outstanding value for money to our members. By the end of the 2020/21 financial year, NHS Providers had 100% of the 214 eligible foundation trusts and trusts in membership.

In the most recent members survey 95% of respondents were 'very' or 'fairly satisfied' with the work of NHS Providers; with 57% indicating they are 'very satisfied' - the highest ever figure from five years' worth of surveys. 97% felt it was 'very' or 'fairly important' for their organisation to be a member of NHS Providers. Overall, 92% felt it was 'very' or 'fairly important' for them individually, rising to 97% for chairs and chief executives. 96% would speak positively about NHS Providers.

We have also maintained high levels of satisfaction among our stakeholders. Our independent survey of 20 health and political leaders and the media – conducted on our behalf by Ipsos MORI – found that stakeholders regard engagement with NHS Providers as extremely valuable. They recognise that we are the go-to organisation for the views of the provider sector.

Staff wellbeing and support

We have continued to invest in support and recognition for our staff and receive positive feedback that staff feel valued and would recommend NHS Providers as a place to work. This year has seen a particular focus on staff wellbeing, supporting staff through the challenges of virtual home working and managing some difficult individual circumstances. We have adapted key policies to provide additional support and maintained excellent communication within and between teams. We have put in place plans to transition back to office based working when Government guidelines allow but will continue to support a desire from many staff to maintain a flexible approach to our ways of working.

OUR PLANS FOR THE FUTURE

We are uniquely placed to work across the full range of issues that affect trusts, drawing on the perspectives and experience of our membership which includes all of the 215 hospital, mental health, community and ambulance trusts in England. Our priorities for 2021/22 are outlined below against each of our four strategic objectives of influence, voice, support and excellent organisation.

The strategic objectives set out in our new four year strategy are:

Influence

To shape the environment and culture in which our members operate – with a dedicated focus on finances, quality, workforce, governance, regulation, digital transformation, integration and system working.

Voice

To be the collective voice of NHS providers working in local systems, reflecting the diversity of our membership, and championing their interests in the media, government, the NHS and wider health and care community.

Support

To help our members and their local system partners drive improvement and innovation through effective, shared development, support and learning.

Excellent organisation

To provide outstanding value for money to our members, create a supportive environment for staff and continually improve, driven by our values.

In support of our strategy, this year we will make concerted effort to mirror the challenges that trusts are facing to sustain our credibility, relevance and to represent their interests in fast changing times. We will build on our success to date to refresh our approach and move from the voice of NHS providers to the voice of NHS providers in local systems, working with relevant partners to add value for our membership.

Influence

Over the year ahead we will sustain our stakeholder engagement programme, and our evidence based approach, to underpin the following portfolios of work:

- **Response to COVID-19** – we will continue to set out clearly the pressures on trusts and the support they need, as well as highlighting how successfully the service has responded to the pandemic. We will also look ahead to the long-term impact on health inequalities, and on the NHS and its staff and what the NHS needs to live longer term with the virus
- **A prioritised, and resourced ‘ask’ of the NHS** – we will argue for a clear ‘ask’ of the service in the wake of the pandemic which is resourced and realistic and incorporates learning from the last year. This will mean a clear prioritisation of the current commitments in the long term plan, manifesto commitments, and new demands and costs created by the pandemic. including a growing backlog of care
- **Funding and resourcing** – make the case for a step change in funding the NHS, including a multi-year settlement for capital, workforce, and education and training budgets and appropriate settlements for public health and social care. We will influence and constructively shape the development of the new financial architecture as system working becomes embedded
- **Workforce** – we will continue to argue for greater support for our committed and exhausted workforce with a clear focus on recovery. We will promote a workforce model which is sufficiently well resourced, flexible and supported, underpinned by a multi-year plan
- **Legislation** – we will prioritise our influencing activities this year to ensure provider interests are fully represented as the government develops far reaching changes to the NHS structure under the proposed health and care bill. We will engage with DHSC on the proposed reforms to the Mental Health Act as well as continued participation in national working groups on mental health policy
- **Integration and system working** – as trusts become leaders and co-leaders of system working, we will help shape the new and emerging policy and regulatory frameworks constructively. We will support trusts to work collaboratively at neighbourhood, place, ICS and pan ICS levels with a clear focus on influencing and supporting the development of provider collaboratives. We will develop our relationships with other types of provider and their representative bodies including in primary care, social care and the voluntary sector
- **Governance and accountability** - our thought leadership on governance will inform our work on the NHS Bill making clear that good governance is no barrier to collaborative working. We will continue to highlight and support the important leadership and accountability role of boards ensuring this is not compromised by proposals for legislative change, promoting the value of the unitary board model and making clear the relationship between governance and regulation
- **Regulation and oversight** – with a focus on the roles of NHS England and NHS Improvement, and the Care Quality Commission, we will ensure that current and future approaches are proportionate and that the burden of regulation is reduced. This year we will focus particularly on the implementation of CQC’s new strategy and how the regulators adapt their approaches to the new context of system working
- **Quality** – focusing on the trust board’s role in leading and creating a quality improvement and learning culture, we will argue for a national policy approach that ensures the NHS remains a great place to work, and create the conditions for patient safety
- **Public health and health inequalities** – we will champion the need for sufficient investment in public health and promote the role trusts play in supporting a preventative approach and as anchor institutions in their local area. We will inform the debate on how public health functions can be delivered effectively nationally and locally

- **Digital transformation** – we will argue for sufficient, co-ordinated funding for trusts and their partners in support of digital transformation; continue our dedicated support offer for boards, and potentially system partners; and inform proposed changes in the national architecture to support digital transformation
- **Performance and delivery** – we will provide informed commentary on how well the sector is able to deliver national targets given rising demand, a tight financial settlement and workforce challenges. We will also inform the implementation of recommendations arising from the clinical review of standards, and new measures associated with the delivery of the NHS long term plan
- **Mental health, community and ambulance sectors** – we will continue to highlight sector specific challenges and what is needed to meet them. This includes highlighting structural discrimination and inequities for mental health, learning disability and community services, and identifying the impact of the white paper on mental health services. we will continue our partnership with Federation of Specialist Hospitals (FOSH) and Shelford Group to ensure the needs of specialised services are taken into account as system working develops, and work closely with the Association of Ambulance Chief Executives (AACE) to support the ambulance sector

Voice

We will continue to be the collective voice of NHS providers, reflecting the diversity of our membership, and championing your interests in the media, government, the NHS and wider healthcare community focusing on:

- being the recognised commentator for NHS provider issues, within the new context of system working, for both the national and trade media
- ensuring we have significant reach and profile across social media channels and making sure our proactive and reactive media commentary and analysis has maximum visibility
- speaking truth to power about the consequences of the current pressures on providers and what the sector can reasonably be expected to deliver given these pressures
- developing our well received case study series, Providers Deliver, to showcase the achievements of the provider sector and sharing learning on successful innovation
- maintaining our established position as the voice of trusts and foundation trusts with greater focus on the voice of NHS providers in local systems
- mirroring the new partnerships trusts are developing at the frontline to become the emerging voice of a broader range of health and care providers.

Support

We will help providers drive improvement and innovation through effective, shared development, support and learning. With a particular focus on:

- **Networks:** diversifying and enhancing member engagement through regular opportunities to meet with colleagues
- **Board development:** continuing to deliver our highly regarded board development programme which is specifically designed to help trusts share good practice, increase knowledge and improve the effectiveness of boards and organisations. It comprises induction programmes for executive and non-executive directors, bespoke year-long programmes for whole boards and a comprehensive range of skills-based modules. All programmes are delivered in regional locations or in individual trusts by our team of experienced, expert facilitators
- **Governor support:** our governor support programme provides guidance and support for foundation trust governors. As part of this, GovernWell, the national training programme for foundation trust governors, will continue to deliver its range of training courses covering a variety of topics to equip them with the skills required to fulfil their responsibilities
- **Supporting trusts as leaders and co leaders of systems,** including collaborative working at neighbourhood, place, ICS and pan ICS levels: z Continuing to build our peer support offer delivered in partnership with the NHS Confederation, NHS Clinical Commissioners and Local Government Association, enabling members to learn from peers as they navigate the practical implications of the White Paper and agree new priorities with their system partners
- Developing our support for **provider collaboratives** and provider collaboration, in partnership with NHS England and NHS Improvement where appropriate
- Developing a board support offer to help trusts tackle **race inequality and racism**, and play their role in addressing the broader determinants of health
- **Digital transformation:** continuing our well-regarded three-year programme of support for boards on provider digitisation, delivered in partnership with NHSX, HEE and Public Digital. With a dual focus on learning from other sectors as well as insights from NHS peers, this combines bespoke sessions for individual boards with a wider programme of events, case study publications and 'how to' guides, alongside a Digital Boards network for ongoing peer learning on digital transformation
- **Trust wide improvement:** In partnership with the Health Foundation, we will launch a new offer for boards on driving trust-wide improvement. This will focus on how organisational approaches to improvement can help to sustain the positive gains made as a result of the pandemic and draw together existing resources to help trusts on their improvement journey
- **Events:** maximising the success of our annual conference and exhibition, our Governance and Quality Conference and other major events

Excellent organisation

We will strive to provide outstanding value for money, create a supportive environment for our staff and continually improve. With a particular focus on:

- Delivering the first year of our new four year strategy
- Embedding a new set of organisational values, co-created with our staff team
- Increasing and diversifying our income and improving cost-effectiveness to reduce our reliance on member fees. We will do this without compromising our independence and ability to speak truth to power. This includes:
 - Growing commercial income in 2021/22 (by at least 50%) and in 2022/23 (by a further 25%) without relaxing our partnership criteria. We will do this by growing new and existing offers to engage commercial partners and enable them to bring thought leadership and insight to our members. This year we will be launching a new panel of legal advisers and consultancies to answer member questions and give back time and insight on a pro-bono basis
 - Growing project funding from national bodies (such as NHS England and NHS Improvement) from just under £1m in 2020/21, to £1.8m in year four of our strategy
 - A sustained focus on efficiency at NHS Providers including an annual cost improvement plan
- Making a drawdown from our reserves over the four-year period to bring them closer to a recommended revised minimum of £1.3m
- Making a carefully judged uplift to member fees.

Further information and contact details

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FINANCIAL REVIEW

NHS Providers, as a membership organisation, receives the majority of its recurring income from membership subscriptions. Additional annual income is derived from providing workshops and training services to members - as well as from commercial agreements, including (but not limited to) event sponsorship. NHS Providers also generates project income by working collaboratively with partners to develop specific areas of support for members. NHS Providers does not raise funds directly from the public, although it does accept unsolicited donations. All of these funding sources enable the charity to deliver its objectives of voice, influence, support and excellent organisation.

Under its current strategy, NHS Providers aims to:

- fully utilise its subscription income in the delivery of its services to members
- make a surplus or to achieve break-even on the provision of any additional commercial services to members, such as workshops and training.

Income from charitable activities increased by 54% to £1,213,408 (2020: £787,044). This is due to a substantial increase in project income. NHSP secured a three-year project with NHSI/E on digital transformation, total value £2.6m. In 2021 service delivery continued on developing a peer support offer for local systems funded by using brought forward restricted funds of £167k. Although course delivery under the Board development programme was relatively uninterrupted despite the impact of the Covid pandemic, there was a relatively small decline in income of 15% due to a "transitioning period" from face to face to more hybrid ways of working. However the decline in income was also offset by a reduction in delivery costs.

Subscription income was stable across 2019/20 and 2020/21 with all trusts still in membership. Membership fees were increased by a small amount to fund the last year of the three-year strategic offer, but the overall subscription income increase averaged 1% due to income loss through trusts merging. At year end NHS Providers had 100% of trusts in membership, which represented 215 trusts.

Revenue of the charity's wholly owned subsidiary, FTN Trading Limited, decreased by 46% from £395,350 to £212,852 for the year ending 31 March 2021. Due to the Covid pandemic, NHSP transitioned to hosting its annual conference virtually. Exhibition stand rates and ticket sales were market adjusted to reflect the virtual delivery format, resulting in a decline in income compared with 2020. However, the overall profit margin actually increased, from 27% to 46% as delivering the conference virtually created very significant cost savings.

Other commercial income streams, such as the connect programme and associate income showed progressive growth of 35% from £51,812 in 2020 to £70,458 in 2021. In 2020. The trading entity delivered a surplus of £39,995 for the year (2020-nil).

Overall expenditure increased by 10% to £5,376,009 (2020: £4,900,939). However, included in total expenditure is spend on the digital transformation project of £572k. Excluding this project related spend and spend on restricted funds, which distort the comparatives, the 2021 spend is 3% lower than 2020 levels. This percentage decline is more reflective of the impact that Covid had on variable costs in particular variable office overhead costs and variable costs of course delivery. The full extent of these savings is somewhat offset by the continued growth in salary costs, (staff growth of 58 to 66 in year), to support the expanded offer to members.

NHS Providers realised a surplus of £294,507 for the year, (2020: £313,600). This aggregates, a surplus on unrestricted funds of £448,900 and a deficit on restricted funds of £154,393. The surplus reflects the agility of our organisation to adapt at speed to the rapidly changing environment caused by the Covid pandemic. As a result, we did not suffer any significant loss of income and where we did, we achieved savings on expenditure. Total reserves for the year ending 31st March 2021 are £2,309,848.

Reserves policy

In the trustees' view, the charity's reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives should a shortfall in income occur, considering potential risks. Reserves are also maintained to further the strategic aims of the charity and to maximise business growth opportunities, subject to approval by the finance and general purposes committee. If the charity was to cease operating, reserves are set at a level that allows the charity to meet all necessary obligations and commitments to staff and third parties.

To meet the above objectives, it has been agreed by the board that free reserves should not fall below £1,300,000. This was set at a level sufficient to meet our statutory obligations in the event of an orderly winding up. The level of free reserves for the group is defined as general unrestricted funds excluding tangible fixed assets which cannot be readily liquidated.

At year-end, the group had a level of free reserves of £2,156,833, well in excess of the reserve level set. Free reserves are higher than the agreed minimum level due to current and prior year surpluses. These were achieved through cost control and higher project income in recent years. NHS Providers will utilize excess reserves in the delivery of the new four-year strategy 2021-2024 and to achieve sustainable growth.

The finance and general purposes committee will review the amount of reserves on an annual basis to ensure that they are sufficient to meet the group's continuing obligations.

Going concern

We have adequate financial resources and are proactive in identifying and mitigating business risks. Our planning process, including financial projections, considers the current economic climate and its potential impact of various sources of income and expenditure. NHS Providers has been pro-active in adapting to the changes brought about by the Covid pandemic. To ensure uninterrupted support to members we are continuing to deliver a hybrid

of face to face and virtual conferences and events. Endorsement of our members support is evidenced by retention of 100% of our membership at year end. Additionally, we continue to diversify income by developing commercial income streams and securing new areas of project funding. These measures safeguard our revenue and cashflow enabling us to provide assurance about our financial stability notwithstanding any unexpected challenges. The charity has a strong balance sheet with a high level of net current assets due to the cash reserves held.

We believe there are no material uncertainties that call into doubt the charity's ability to continue as a going concern.

Fundraising

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not raise funds directly from the general public and does not actively solicit donations. The Charity does not work directly with commercial sponsors but where commercial sponsorship is arranged for an event, a clear contract is in place between the trading company and the commercial sponsor. The trustees are not aware of any complaints made in respect of fundraising during the period.

Principal risks and uncertainties

NHS Providers is committed to effective risk management as an integral part of ensuring good corporate governance. Risk management provides the framework and process that enables NHS Providers to manage uncertainty in a systematic way. Our risk management processes are designed to enable us to adequately identify review and mitigate risks.

The risk management strategy comprises:

- on-going review of principal risks and uncertainties that the charity and its subsidiary face
- establishment of policies, systems, procedures and strategies to mitigate those risks
- implementation of procedures to minimise or manage any potential impact on the charity should those risks materialise.

All risks are documented in a risk register which scores risks according to their impact and likelihood of risk crystallising. It identifies potential impacts and documents control measure and actions. The score profile is updated quarterly.

Responsibility for risk management is undertaken at every level of the organisation. Day-to-day responsibility for operational risk lies with the managers and staff responsible for the organisation's operations. The risk register is reviewed and updated on a regular basis by the senior management team of the organisation and the finance and general purposes committee. The full board of trustees review the risk register twice a year and are responsible for considering the overall strategic risks and for monitoring the status of any significant operational risks.

The key risk areas facing the charity and its subsidiary and a summary of the plans and strategies to manage those risks are listed below:

- **Sufficient finances:** the charity is reliant on a high level of subscription income to deliver services to members and cover operational costs. We proactively manage the membership subscription renewal process, assessing the overall likelihood of individual members not renewing and mitigating accordingly. We strive to diversify our income mix and expand commercial income. Resources are dedicated to active membership engagement to maintain high levels of service delivery and member retention. Costs are monitored through a robust financial reporting process and monthly variance analysis. Pre-emptive action can be taken if any variation against expected financial outcomes occurs during the year. Additionally, an adequate reserves policy is maintained so that the charity can meet the costs of winding down its operations.
- **Human resource:** To mitigate the risks of poor staff retention, inadequate succession planning and under-resourcing impacting adversely on timeous work-delivery, adequate investment is made in staff development and remuneration is regularly benchmarked against the market.

- **Reputational:** on going assessment of reputation is undertaken through a number of channels including senior management and the board. Increased media presence and a higher profile during the COVID pandemic is acknowledged to have enhanced the reputation of NHS Providers. We will continue to monitor this and the impact it has on the organisation. We will continue to be reactive to changing member needs and external perceptions.
- **External environment:** Environmental factors may change the provider structure affecting our ability to deliver service to members and a resultant decline in income. We monitor the increasing number of members who are merging, forming groups or sharing leadership structures and take account of any possible negative impact of this on member subscriptions through an annual review of the membership fee structure. Additionally, our strategy aims to develop commercial income to further mitigate the risk of reducing subscription income.

The four-year strategic plan 2021-2025 is designed to future proof the membership structure and adequately support service delivery to members. The strategic plan, along with the annual business plan, ensures NHS Providers remains responsive and representative of member need in a rapidly changing environment. Other external factors such as competition are regularly reviewed and appropriate offerings and or alliances are created to mitigate their effect.

- **Operational:** on-going review of and investment in IT infrastructure and cyber security to ensure business continuity and safeguard information
- **Covid-19:** the risks and mitigations identified due to the pandemic are: prioritisation of staff safety and well-being, provision of sufficient and adaptive support solutions to members; regular monitoring of any potential income reduction so that business planning can adapt accordingly. NHS Providers is tracking all these risks regularly to maintain an agile and reactive response.

It should be noted that any risk management system can only manage risks and not eliminate them and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

STRUCTURE, GOVERNANCE AND MANAGEMENT

This is the tenth annual report and audited financial statements of the Foundation Trust Network, operating as NHS Providers, since it became an independent organisation on 1 April 2011. Details of the organisation's incorporation as a private company limited by guarantee and registration as a charity are given on page 3. The company is governed by its articles of association, the latest version of which was approved by members in March 2017.

It should be noted that during 2014/15 the organisation changed its operating name to NHS Providers in a rebranding exercise. Its registered name is still the Foundation Trust Network and it can be found under this name at both Companies House and the Charity Commission.

GOVERNANCE

Appointment and induction of new trustees

NHS Providers is governed by a board of elected trustees. Trustees who served during the period 2020/21 and to the date of this report are listed on page 20, Senior executive staff and external advisors are detailed on page 26.

During 2020-21 the board comprised of 22 trustees :

- ten board members from trusts/foundation trusts providing acute services
- six board members from trusts/foundation trusts providing mental health services
- two board members from trusts/foundation trusts providing community services
- two board members from trusts/foundation trusts providing ambulance services
- one co-opted member
- one independent chair.

Due to Alan Foster's resignation as chief executive of North Tees and Hartlepool NHS Foundation Trust to focus on leading his regional ICS, he could no longer serve as a trustee of NHS Providers in the acute trust category. However, in order to ensure appropriate focus on and input from the ICS/STP perspective, at its meeting in May 2019 the Board approved Alan's co-option to the Board, as permitted by the Articles of Association. This appointment was ratified by members at the Annual General Meeting in December 2019 and extended for a further year at the AGM in 2020. He therefore continues as a co-opted trustee.

On 1 January 2020, Sir Ron Kerr took over from Dame Gill Morgan as chair of NHS Providers. He was appointed following open competition and a national search in line with Article 20 of the organisation's articles of association.

The other trustees are drawn from chairs and chief executives of member organisations. They are therefore already familiar with both board procedures and the activities of NHS Providers. Upon election, trustees go through an induction process coordinated by the chair and the executive to ensure that they are up to date with the activities of NHS Providers and that they understand the specific duties and responsibilities of being a charity trustee - in particular the importance of acting as trustees of a charity and representing the views of all members, not the views of their own organisation.

In addition to the induction process, from time to time external training is provided to trustees specifically on the role of the trustee in a charity and the associated legal obligations. Such training was last provided by Hempsons Solicitors in a session following the 2019 July board meeting. This was very well received by trustees, particularly those newly elected to the Board. It is anticipated that this session would be repeated every 3 – 4 years as required.

The governance standards of the organisation are continuously monitored to assure compliance with the Charity Governance Code. In 2019, a full review of the governance standards of the organisation was carried out, with a board sub-committee convened to take this work forward. This group tasked an external, expert consultant to carry out a review of the board's governance arrangements against the 7 principles of the Charity Governance Code 2017. The resulting report concluded that there exists sound evidence of compliance with the charities code across the full range of principles and from this it is fair to infer detailed compliance. There was just one recommendation in the area of risk. Specifically, it suggested that the board should agree a process to escalate and de-escalate risk and to evidence better that strategic horizon scanning takes place. This has been incorporated in to the process by which the board reviews and monitor the organisation's risk.

The governance review also considered the organisation's membership to explore how it might adapt to reflect the changing NHS environment as the focus shifts to integrated local health and care system working. It was agreed that free associate membership would be offered to STPs/ICSs to enable them to access, as appropriate, our support offer. This offer has now been rolled out and a significant number of ICSs have opted to become associate members.

The organisation maintains a register of interests for trustees, as well as senior executives. The trustees' and senior executives' interests registers are reviewed annually and when there are substantial changes to the registers, such as following trustee elections. Additional oral declarations of interest are taken at the start of each meeting of the NHS Providers board and board sub committee meetings.

During the period covered by this report, the NHS Providers board met a total of six times. Details of trustees and their attendance at Board meetings and at board sub committees where relevant up until the date of this report are listed below. It should be noted that, under the normal trustee appointment cycle, there should have been elections carried out in June 2020. However, due to the COVID-19 crisis, the board took a decision at its May meeting that these elections would be delayed by 3 months. The 6 trustee's terms of office were coming to an end, all agreed to remain in post for this period. The elections were carried out successfully in September but with the terms of office of the elected trustees adjusted to terminate in June 2023 to maintain the usual annual cycle.

TRUSTEES	TERM	ATTENDANCE AT BOARD	ATTENDANCE AT FINANCE AND GENERAL PURPOSES COMMITTEE	ATTENDANCE AT REMUNERATION COMMITTEE
Tracy Allen	Appointed 07/10/2020	6/6		
Ingrid Barker	Appointed 14/10/2013, Re-appointed 01/07/2018, Retired 30/06/2021	7/7		2/2
Ann Beasley	Appointed 25/05/2020	9/9	1/2	
Susan Brain England	Appointed 01/07/2017 Re-appointed 07/10/2020	8/9		
Mary Elford	Appointed 30/06/2021	2/2		0/0
Daniel Elkeles	Appointed 28/06/2019, Retired 01/09/2021	7/8		
Alan Foster	Appointed 01/07/2015, Re-appointed 01/07/2018, Co-opted 03/12/2020	3/9		
Beatrice Fraenkel	Appointed 06/11/2019	7/9	5/8	
William Hancock	Appointed 02/07/2014, Retired 07/10/2020	1/3	2/4	
Angela Hillery	Appointed 01/07/2017, Re-appointed 07/10/2020	5/9	2/8	
Nicholas Hulme	Appointed 01/07/2018, Re-appointed 30/06/2021	9/9		
Sir Ron Kerr	Appointed 01/01/2020	9/9		2/2
Brent Kilmurray	Appointed 06/11/2019 Retired 30/09/2021	3/9		
Heather Lawrence	Appointed 06/11/2019	8/9		
Deborah Lee	Appointed 30/06/2021	1/2		0/0
Harriet Llewelyn-Davies	Appointed 10/01/2018, Re-appointed 07/10/2020	8/9	8/8	
Lance McCarthy	Appointed 06/11/2019 Retired 12/09/2021	7/9	3/3	
Kathy McLean	Appointed 30/06/2021	2/2		
Patricia Miller	Appointed 01/07/2016, Re-appointed 01/07/2019	7/9		2/2
Christine Outram	Appointed 02/11/2016, Re-appointed 30/06/2019	6/9		
Therese Patten	Appointed 30/06/2021	2/2		
Linda Pollard	Appointed 30/06/2019	6/9		2/2
Helen Ray	Appointed 07/10/2020	5/6		
Colin Scales	Appointed 08/01/2018, Retired 07/10/2020	1/3		
Jagtar Singh	Appointed 01/07/2016, Re-appointed 01/07/2017, Reappointed 07/10/2020	8/9		2/2
Karamjit Singh	Appointed 30/06/19, Retired 16/04/2021	5/6	6/6	
Tracy Taylor	Appointed 01/07/2015, Re-appointed 01/07/2018, Retired 30/06/2021	7/7		2/2
Melanie Walker	Appointed 01/07/2018, Retired 30/06/2021	4/7		
Mike McEnaney - co-opted to F&GP			3/3	

In addition to the trustees (who have full voting rights at board meetings), the NHS Providers board is also attended by the chief executive, deputy chief executive, interim chief operating officer, director of policy and strategy, director of communications, assistant director of corporate services and the head of the chair and chief executive's office as non-voting attendees. A scheme of delegation clearly lays out the respective responsibilities of the trustees, directors and management. This, together with a full set of operational policies and procedures, determines the conduct of all executives and other employees.

The board has two standing committees: the Finance and General Purposes Committee (incorporating the Audit Committee); and the Remuneration Committee. The chief executive of the organisation is responsible for the operational delivery of the strategy set out by the board.

The Finance and General Purposes Committee's membership during 2020/21 comprised six trustees and a co-opted finance director member, Mike McEnaney, who was appointed in October 2020 to replace Sandra Betney whose term of office came to an end on 31 March 2020. The committee met five times during the period of this report. It is responsible for providing scrutiny and advice to the NHS Providers board on the oversight of:

- financial reporting and control
- risk management
- reserves and investment policy
- commercial activities
- annual report and accounts
- commissioning and monitoring the outcomes of the external audit.

The NHS Providers chair has the right of attendance at the committee. Meetings are also usually attended by the chief executive.

The Remuneration Committee met twice during the period of this report. A detailed remuneration report including further information on the role of the remuneration committee and its work can be found on pages 22 to 24.

Other board sub-committees are formed periodically on a 'task and finish' basis, carrying out specific pieces of work as delegated by the NHS Providers board.

Partnerships

The organisation must maintain a high quality staff team in order to best serve its members but, as a charity, it also seeks to provide services in the most efficient and cost effective way for members. In many cases this means working with external expert partners to deliver all or part of some of the activities undertaken. In accordance with good governance principles, as far as practicable, such work is put out for tender.

Employees

As a membership organisation, NHS Providers is a service-based business, and its employees are at the core of all the organisation's activities.

To support its members, in line with the strategic objectives set out on page 4 the organisation needs to maintain a team of expert specialist staff covering areas as diverse as governance, benchmarking, clinical and functional networks, healthcare policy and economics.

Alongside recruiting high quality individuals NHS Providers is keen to promote continuous development to ensure employees have the opportunity to develop their skills. Employee training and development needs are reviewed at least twice a year as part of an annual appraisal cycle and a learning and development plan for the organisation as a whole is produced every year.

A full remuneration report is set out below.

REMUNERATION REPORT

Statement of general approach to remuneration and governance

NHS Providers ensures that its staff are remunerated fairly and in a way that allows the organisation to attract and retain people with the skills needed to deliver its charitable objects. To ensure this report meets the requirements of both the Charities SORP and the guidance published by the National Council for Voluntary Organisations it has been reviewed against these requirements by the chair, chief executive, directors and the Finance and General Purposes Committee.

Remuneration committee

NHS Providers has a Remuneration Committee which, in 2020/21, met once. This committee is chaired by a trustee and comprises five additional trustees, including the organisation's chair who is an ex-officio member of the committee. The NHS Providers chief executive is invited to attend but, along with other members of the executive in attendance, is excluded from discussions of their individual pay. Likewise, the chair is not present for any discussion relating to their fees.

The main responsibilities of the committee are to:

- set the overall pay policy for the organisation as a whole and consider regular reports on the operation of that policy, particularly in relation to pay for staff other than the directors
- determine the remuneration package of the individual directors, on the recommendation of the chief executive and the chair
- determine the remuneration package of the chief executive, on the recommendation of the chair;
- set the fees for the chair
- ensure that contractual terms on termination are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

The remuneration policy aims to ensure that the chief executive, directors and other staff have appropriate incentives to encourage enhanced individual performance and are, in a fair and responsible manner, rewarded for their contributions to the success of NHS Providers. This recognises that delivery of NHS Providers' charitable vision and purpose is almost wholly dependent on the performance of its staff, with staff remuneration being the largest single element of charitable expenditure.

The remuneration policy is reviewed regularly. This includes comparisons with similar membership organisations and the wider charitable sector as well as being sensitive to the remuneration approach of our members, pay and employment conditions in the NHS and general approaches to charitable sector pay.

2020/21 Approach to pay

Staff Pay

Staff are primarily policy and communications experts, recruited from these sectors, with administration, support, event management and corporate services staff recruited from a wide range of different sectors. The organisation recruits relatively few of its staff directly from NHS frontline organisations. NHS Providers is committed to paying all staff the London living wage, currently set at £19,890. The organisation's lowest salary in 2020/21 was £23,000.

In line with the criteria agreed by the remuneration committee for determining an annual salary increment, staff meeting the appropriate conditions were awarded a pay rise of 1.5% to take effect from April 2021.

Salaries, at all levels, are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. The last review carried out by CELRE in December 2020 indicated that NHS Providers' staff salaries are largely in line with or below market rates. The next benchmarking review will take place during 2022/23 unless there are compelling reasons to bring this forward. No bonuses are paid to any members of staff nor to directors.

The ratio of salary between the organisation's highest and lowest paid member of staff is 1:9.5 with the ratio between its highest and median salary being 1:5.

Chief executive and director pay

The remuneration committee sets chief executive and director pay individually each year, taking account of individual and organisational performance. The remuneration committee is provided with information to ensure awareness of published salary rates for roles in similar organisations such as the Local Government Association and the NHS Confederation and, in the case of the chief executive, the salaries paid to chief executives of member organisations and relevant arms length bodies. Director salaries are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. The last review carried out by CELRE in December 2020 indicated that directors' salaries were significantly below the market rate. Trustees were concerned that this may result in retention issues and an uplift for the 3 permanent directors was agreed. In 2019, at his suggestion, it was agreed that the chief executive's pay would be frozen. This freeze remains in place.

The results of the pay policy in relation to total remuneration, including salary and pension contributions, for 2019/20 and 2020/21 are reflected in the table on page 25.

Chair's fees

The fees paid to the chair of NHS Providers are reviewed annually by the remuneration committee and reflect both personal and organisational performance. They are benchmarked against:

- chair fees in similar organisations such as NHS Confederation
- chair fees of foundation trust members
- chair or chair equivalent fees for the organisation's key stakeholders.

Pensions and total remuneration package

The organisation has an auto enrolment pension for all employees, provided through our existing defined contribution group scheme. Currently NHS Providers makes a contribution of 3% of gross salary to those who have been auto-enrolled. An enhanced contribution scheme is also offered (once the six month probationary period has successfully been completed) under which the organisation makes a contribution of 9% (staff contributing 6%) of salary. There are also a range of other benefits available to all employees including non-contributory life-assurance cover; season ticket loans; childcare vouchers (via a salary sacrifice scheme); free health checks; and a cycle to work scheme.

Impact of remuneration policy

NHS Providers has built and maintained a strong team of expert specialist staff who deliver a diverse and wide range of work. The success of the team, and NHS Providers as an employer, is reflected in a range of different evidence including:

- 94% overall member satisfaction with our work, described by Ipsos MORI as a particularly high score for an organisation of our type
- staff perceived as supportive, professional and knowledgeable with members being positive about their relationship with NHS Providers (Ipsos MORI member survey)
- 88% of staff would recommend it as a good place to work, 96% thinking their colleagues are committed to delivering high quality services and 94% believe the organisation supports and promotes their personal health and wellbeing.

Summary of remuneration - individual highest paid staff

The trustees regard the chair, trustees (who are not remunerated), chief executive and directors as the key management personnel.

	2020/21 remuneration		2019/20 remuneration	
	Salary	Pension contribution	Salary	Pension contribution
Dame Gill Morgan, chair*	–	–	£41,250	–
Sir Ron Kerr, chair*	£55,000	–	£13,750	–
Chris Hopson, chief executive*	£218,436	£19,659	£218,436	£19,659
Adam Brimelow, director of communications	£96,331	£8,670	£94,443	£8,500
Saffron Cordery, director of policy and strategy and deputy chief executive	£123,342	£11,101	£120,923	£10,883
Kevin Rennie, interim chief operating officer*	£105,000	£5,250	£6,058	£182
Mark Stevenson, chief operating officer*	–	–	£51,125	£4,601
Miriam Deakin, director of policy and strategy	£96,331	£8,670	£94,443	£8,500

*pro-rata amount for portion of year worked/ since appointment

Please note: Aside from Dame Gill Morgan and Sir Ron Kerr no other trustees received remuneration or were reimbursed for expenses incurred in the course of acting on behalf of the charity.

Ron Kerr was appointed from 1 January 2020.

From April 2020, Chris Hopson has agreed voluntarily to freeze his pay. This freeze will be permanent for the duration of his employment at NHS Providers subject to exceptional circumstances such as a significant increase in the inflation level. The remuneration committee and the board supported this proposal.

For information, Chris Hopson, Adam Brimelow, Saffron Cordery, Kevin Rennie and Miriam Deakin, were all employees of the company during 2020/2021.

Banding

The number of employees whose emoluments exceeded £60,000 for the period was:	2021	2020
£60,000 – £70,000	4	5
£70,001 – £80,000	2	1
£80,001 – £90,000	1	–
£90,001 – £100,000	2	2
£100,001 – £110,000	1	–
£120,001 – £130,000	1	1
£210,001 – £220,000	1	1

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees/non-executive directors

Refer to page 20.

Senior executive staff/directors

Chris Hopson	Chief executive
Saffron Cordery	Deputy chief executive
Adam Brimelow	Director of communications
Miriam Deakin	Director of policy and strategy
Kevin Rennie	Interim chief operating officer (appointed 10 March 2020)

Independent Auditors

Saffery Champness LLP
71 Queen Victoria Street
London EC4V 4BE

Bankers

The Co-operative Bank
80 Cornhill
London EC3V 3NH

Barclays Business
1st Floor, 27 Soho Square
London W1D 3QR

Principal and registered address

One Birdcage Walk
London SW1H 9JJ

Solicitors

Hempsons
The Exchange, Station Parade
Harrogate HG1 1DY

The Foundation Trust Network

Charity registration number: 1140900
Company registration number: 07525114

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires trustees to prepare financial statements for each financial year to provide a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. 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' Statement of Practice (SORP FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

The trustees are responsible for keeping proper 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Report of the Trustees and incorporated strategic report was approved by the NHS Providers board on 3 November 2021 and signed on its behalf by:



Sir Ron Kerr
Chair, NHS Providers

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NHS PROVIDERS FOR THE YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of NHS Providers (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement 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 affairs of the group and the parent charitable company 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 related 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 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.

Other information

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

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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has 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 Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 27, 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 the 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities: We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include the Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

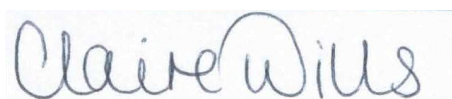
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "Claire Wills". The signature is written in a cursive, flowing style.

Claire Wills (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

Date: **12 November 2021**

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the consolidated income and expenditure account)
for the year ended 31 March 2021

	Note	£ Unrestricted funds	£ Restricted funds	£ Total 2021	£ Total 2020
Income from					
Charitable activities	2	1,183,408	30,000	1,213,408	787,044
Subscription income		4,351,083	–	4,351,083	4,317,290
Other trading activities	3	212,852	–	212,852	395,350
Investments	4	7,275	–	7,275	3,581
Total income		5,754,618	30,000	5,784,618	5,503,265
Expenditure on					
Trading activities	3	114,102		114,102	288,726
Charitable activities	5,6,7	5,191,616	184,393	5,376,009	4,900,939
Total expenditure		5,305,718	184,393	5,490,111	5,189,665
Net income/(expenditure) and net movement in funds for the year		448,900	(154,393)	294,507	313,600
Total funds brought forward	16	1,847,448	167,893	2,015,341	1,701,741
Total funds carried forward	16	2,296,348	13,500	2,309,848	2,015,341

All gains and losses arising in the year are included in the statement of financial activities and relate to continuing operations.

The notes on pages 36-50 form part of these financial statements.

GROUP BALANCE SHEET 31 MARCH 2021

	Note	£ 2021	£ 2020
Fixed assets			
Intangible fixed assets	12	84,249	162,231
Tangible assets	12	55,266	66,461
		139,515	228,692
Current assets			
Debtors	14	516,526	252,761
Cash at bank and in hand		2,361,370	2,033,777
		2,877,896	2,286,538
Creditors			
Amounts falling due within one year	15	(707,563)	(499,889)
Net current assets		2,170,333	1,786,649
Net assets		2,309,848	2,015,341
Funds			
Restricted funds	16	13,500	167,893
Unrestricted funds	16	2,296,348	1,847,448
		2,309,848	2,015,341

The notes on pages 36-50 form part of these financial statements.

The total income of the charity as an individual entity for the year was £5,571,766 (2020:£5,107,915) and its net income was £294,507 (2020: £313,600). A statement of financial activities for the charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for distribution by the board of trustees on 3 November 2021 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CHARITY BALANCE SHEET 31 MARCH 2021

	Note	£ 2021	£ 2020
Fixed assets			
Intangible fixed assets	12	84,249	162,231
Tangible assets	12	55,266	66,461
Investments	13	1	1
		139,516	228,693
Current assets			
Debtors	14	525,227	329,863
Cash at bank and in hand		2,266,411	1,901,510
		2,791,638	2,231,373
Creditors			
Amounts falling due within one year	15	(621,307)	(444,726)
Net current assets		2,170,331	1,786,647
Net assets		2,309,847	2,015,340
Funds			
Restricted funds	16	13,500	167,893
Unrestricted funds	16	2,296,347	1,847,447
		2,309,847	2,015,340

The notes on pages 36-50 form a part of these financial statements.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for distribution by the board of trustees on 3 November 2021 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Note	£ 2021	£ 2020
Cash flows from operating activities			
Net cash provided by operating activities	21	353,432	381,685
Cash flows from investing activities			
Interest income		7,275	3,581
Purchase of tangible fixed assets		(27,707)	(59,096)
Disposals of fixed assets		–	–
Purchase of intangible fixed assets		(5,407)	(25,830)
Net cash used in investing activities		(25,839)	(81,345)
		327,593	300,340
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		2,033,777	1,733,437
Increase in cash and cash equivalents in the year		327,593	300,340
Cash and cash equivalents at the end of the reporting period		2,361,370	2,033,777

The notes on pages 36-50 form part of these financial statements.

	£ As at 1 April 2020	£ Cash flows	£ Other non-cash changes	£ As at 31 March 2021
Analysis of changes in net debt				
Cash and cash equivalents				
Cash	2,033,777	327,593	–	2,361,370
	2,033,777	327,593	–	2,361,370

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

Company Information

The charity is a registered charity (number 1140900) and a company (number 07525114) limited by guarantee. The registered office is One Birdcage Walk, London, SW1H 9JJ.

Basis of accounting

The financial statements have been prepared on the going concern basis under the historical cost convention. The financial position, liquidity and management of risk as outlined in the strategic report indicate that the Group has adequate resources and that there are no material uncertainties relating to events or conditions that may cast significant doubt about its ability to continue as a going concern.

The financial statements have been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS102) and the Companies Act 2006. The Trustees confirm that the charity is a public benefit entity.

Group Accounts

The Statement of Financial Activities (SOFA) and 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.

Accrued and deferred income

Income is recognised in the SOFA in accordance with the Charities SORP FRS 102 income recognition criteria of entitlement, probability and measurement. Subscription income is invoiced in the associated subscription year and therefore recognised in full within the financial year. Income relating to the financial year which has not been received or invoiced is recognised as accrued income. Grant and donation income are recognised when the SORP income recognition criteria are fulfilled.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity. Designated funds are unrestricted funds of the charity which the trustees have discretion to set aside for a specific purpose.

Restricted funds are funds which are only to be used for the purpose as determined by the donor.

Classification of expenditure

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

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category:

- expenditure on trading activities comprise the costs of the commercial trading, which includes the costs of hosting the annual conference
- expenditure on charitable activities comprises those costs incurred supporting and developing its members, promoting shared learning and lobbying on behalf of its members. It includes both costs that can be allocated directly to those activities and their associated support costs. These costs have been analysed into activities associated with the charity's three strategic objectives of influence, voice and support.

Expenditure is shown net of VAT and any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support and governance costs

Support and governance costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. The bases on which support costs have been allocated are set out in note 6.

Support and governance costs are divided between the unrestricted and the restricted funds, with the restricted funds being charged with expenses specifically incurred in fulfilling the restrictions imposed; all other expenses are charged to the unrestricted funds.

Governance costs are those incurred in the governance of the charity and are primarily associated with the constitutional and statutory requirements.

Pension costs

The charity contributes to a defined contribution scheme for the majority of its members of staff. The charge in the accounts represents the contributions payable to the scheme in the financial period.

The charity contributes to the NHS pensions scheme in relation to one member of staff. This is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employee's working lives with NHS providers in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The scheme is considered to be a multi-employer defined benefit scheme as the charity is unable to identify its share of the underlying assets and liabilities. Therefore, the contributions, which are fixed annually and payable monthly, are charged to the SOFA when payable and the charity has no further potential liability. The date of the most recent actuarial valuation is the 31 March 2021.

Tangible fixed assets and depreciation

Tangible fixed assets, where the value is over £500, are capitalised at cost.

They are then depreciated at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold property improvements	20% straight line basis
Fixtures and fittings	Over three years straight line basis
Office equipment	Over three years straight line basis
Computer equipment	Over three years straight line basis

Intangible fixed assets and depreciation

Intangible fixed assets include IT development and software and enhancements to the website. Intangible fixed assets with a limited useful life are amortised using the straight-line method over three years.

Operating leases

Rentals payable under operating leases are charged to the SOFA over the term of the lease.

Taxation

No provision for taxation is included in the accounts as the charitable company is entitled to exemption from tax afforded by current legislation to the extent that income is applied to charitable objects.

Key assumptions and estimation uncertainty

The trustees have considered whether there are any key assumptions concerning the future or other key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amount of assets and liabilities. They consider that there are none which would impact the next reporting period.

Financial instruments

The group has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from charitable activities

	£ Unrestricted funds	£ Restricted funds	£ 2021	£ 2020
Projects & other income				
Digital transformation	755,950		755,950	20,000
Community Network	–	30,000	30,000	–
Peer Support	–	–	–	187,000
Trust wide Improvement	–	–	–	57,648
Network Integrated Project	71,578	–	71,578	116,822
Other Income	21,339	–	21,339	10,010
Total projects & other income	848,867	30,000	878,867	391,480
Other sundry income	–	–	–	1,244
Foundation trusts and trusts				
Course fees	334,541	–	334,541	394,320
Total income from charitable activities	1,183,408	30,000	1,213,408	787,044

In 2020 Peer Support income of £187,000 was restricted.

3. Income from trading activities

The wholly owned subsidiary FTN Trading Limited is incorporated in the United Kingdom (company number 07940647) and pays all of its taxable profits to the charity under the gift aid scheme.

FTN Trading Limited operates the Annual Conference and all commercial sponsorship associated with that event.

The summary performance of the subsidiary is:

	£ 2021	£ 2020
Turnover	212,852	395,350
Cost of sales and administration costs	(172,856)	(395,350)
Net profit	39,995	–
The assets and liabilities of the subsidiary were:		
Current assets	191,608	188,698
Current liabilities	(£191,607)	(188,968)
Total net assets	1	1
Aggregate share capital and reserves	1	1

4. Investment income

	£ Unrestricted funds	£ Restricted funds	£ 2021	£ 2020
Interest	7,275	–	7,275	3,581

All 2020 investment income was unrestricted.

5. Analysis of expenditure on charitable activities

	£ Direct costs	£ Support	£ Governance	£ Total 2021	£ Total 2020
Influence	1,300,319	773,276	11,730	2,085,325	1,765,836
Voice	590,710	286,395	4,345	881,450	808,926
Support	1,566,082	830,552	12,600	2,409,234	2,326,177
Total expenditure	3,457,111	1,890,223	28,675	5,376,009	4,900,939

Expenditure on charitable activities was £5,376,009 (2020: £4,900,939) . In 2021 £184,393 (2020: £125,303) of these costs were restricted.

Support and governance costs of £1,890,223 (2020: £1,723,860) and £28,675 (2020: £38,320) are analysed in note 6 below, totalling £1,918,898 (2020: £1,762,180).

They relate to overhead costs incurred on the fourth strategic objective, professional organisation , which supports the activities of influence, voice and support.

	£ Direct costs	£ Support	£ Governance	£ Total 2020
Influence	1,097,420	653,881	14,535	1,765,836
Voice	565,870	237,771	5,285	808,926
Support	1,475,469	832,208	18,500	2,326,177
Total expenditure	3,138,759	1,723,860	38,320	4,900,939

6. Analysis of governance and support costs

	£ Influence	£ Voice	£ Support	£ Total 2021	£ Total 2020
IT	51,017	18,895	54,796	124,708	117,249
Premises	83,981	31,104	90,201	205,286	210,050
Human resources	546,561	202,429	587,046	1,336,036	1,186,144
General office	65,945	24,423	70,829	161,197	184,404
Legal	836	309	897	2,042	669
Irrecoverable VAT	8,746	3,239	9,394	21,379	25,344
Professional fees	16,190	5,996	17,389	39,575	–
Total Support	773,276	286,395	830,552	1,890,223	1,723,860
Governance	11,730	4,345	12,600	28,675	38,320
Total Support	785,006	290,740	843,152	1,918,898	1,762,180

*Each cost category is prorated based on staff full time equivalents. Staff are allocated to the respective strategic objectives of influence, voice and support based on the underlying nature of their activities, there is an element of subjective judgement in the allocation as there are some overlap in activities.

	£ Influence	£ Voice	£ Support	£ Total 2020
IT	44,474	16,172	56,603	117,249
Premises	79,675	28,972	101,403	210,050
Human resources	449,918	163,605	572,621	1,186,144
General office	69,947	25,434	89,023	184,404
Legal	254	92	323	669
Irrecoverable VAT	9,613	3,496	12,235	25,344
Total Support	653,881	237,771	832,208	1,723,860
Governance	14,535	5,285	18,500	38,320
Total Support	668,416	243,056	850,708	1,762,180

7. Total expenditure

	£ 2021	£ 2020
Net income/expenditure is stated after charging:		
Auditor's remuneration:		
Audit	15,590	13,400
Tax advisory, secretarial services	2,920	1,960
Depreciation	122,291	126,500
Operating leases	204,532	204,532

8. Trustees

Sir Ron Kerr was appointed a trustee and NHS Providers' chair on the 1st January 2020. For his services as an independent chair over and above his normal trustee duties he received remuneration of £55,000 for the year. (The 2020 remuneration comparative was £55,000 - split £13,750 to Sir Ron Kerr and £41,250 to Gill Morgan.) There is no contribution to a pension fund. The legal basis for conferring authority to make this payment is provisioned for in the articles of association. This was ratified at an EGM on 10 September 2013 following consultation and agreement from the Charity Commission. No other trustees received remuneration for services rendered or reclaimed expenses during the year ending 31.03.21. The company incurred a cost of £587 in respect of annual indemnity insurance for trustees year ending 31.03.21. In 2020 travel and accommodation costs of £5,367 were claimed. The company incurred a cost of £587 in respect of annual indemnity insurance for trustees.

9. Key management personnel

The trustees regard the trustees (who, with the exception of Sir Ron Kerr, are not remunerated), the chief executive and the directors as key management personnel. Key management personal emoluments do not include employer's national insurance.

	£ 2021	£ 2020
Key management personnel emoluments	747,790	693,799

Four of the directors were in the NHS Pension scheme which is a defined benefit pension scheme (2020-5) and one was in a personal defined contribution pension scheme to which the charity contributes (2020-1).

10. Staff costs

	£ 2021	£ 2020
Wages and salaries	2,986,460	2,517,950
Social security costs	335,949	286,273
Defined contribution pension costs	342,320	303,357
Defined benefit pension costs - NHS pension scheme	8,985	8,809
	3,673,714	3,116,389

11. Staff numbers

The average monthly number of employees during the year analysed by activity was:

	2021	2020
Influence	27	22
Voice	10	8
Support	29	28
	66	58

The bandings for employees who receive more than £60,000 are set out on page 25.

12. Fixed assets – group and charity

	£	£	£	£	£	£
	Intangible fixed assets	Leasehold property improvements	Fixtures and fittings	Office equipment	Computer equipment	Total
Cost						
At 1 April 2020	460,317	52,571	92,039	26,688	128,855	760,470
Additions	5,407	–	–	–	27,707	33,114
Disposals	(216,533)	–	–	(21,855)	(7,750)	(246,138)
At 31 March 2021	249,191	52,571	92,039	4,833	148,812	547,446
Depreciation						
At 1 April 2020	298,086	49,527	88,096	26,688	69,381	531,778
Charge for the year	83,389	956	2,544	–	35,402	122,291
Disposals	(216,533)	–	–	(21,855)	(7,750)	(246,138)
At 31 March 2021	164,942	50,483	90,640	4,833	97,033	407,931
Net book value at 31 March 2021	84,249	2,088	1,399	–	51,779	139,515
Net book value at 31 March 2020	162,231	3,044	3,943	–	59,474	228,692

13. Fixed assets investments

The charity's investment at the balance sheet date in the share capital of companies is made up of the following:

FTN Trading Limited

Nature of business	To establish and run a conference for members of NHS Providers
Country of registration	England and Wales
Class of share	Ordinary - £1
% - holding	100

The financial results of the subsidiary for the year are summarised in note 3.

14. Debtors

	Group		Charity	
	£ 2021	£ 2020	£ 2021	£ 2020
Debtors	368,476	133,418	301,425	116,287
Other debtor	2,438	14,957	2,439	14,940
Prepayments	145,612	104,386	116,018	65,101
Amounts due from FTN Trading Limited	–	–	105,345	133,535
	516,526	252,761	525,227	329,863

The amounts due from FTN Trading Limited represent the net position of subscriptions income received by FTN Trading on behalf of the charity. The balance also includes any donations due to the charity from its subsidiary.

15. Creditors – amounts falling due within one year

	Group		Charity	
	£ 2021	£ 2020	£ 2021	£ 2020
Trade creditors	193,511	85,850	191,304	71,684
Social security and other taxes	136,885	90,878	125,798	89,119
Other creditors	31,521	24,486	31,521	24,484
Accruals	177,966	197,728	173,021	172,873
Deferred income	167,680	100,947	99,663	86,566
	707,563	499,889	621,307	444,726

Any income which relates to a period after year end has been deferred.
Analysis of the movement in deferred income is set out below:

	Group		Charity	
	£ 2021	£ 2020	£ 2021	£ 2020
Brought forward	100,947	276,402	86,566	266,739
Deferred	167,680	100,947	99,663	86,566
Released	(100,947)	(276,402)	(86,566)	(266,739)
Carried forward	167,680	100,947	99,663	86,566

16. Restricted and unrestricted funds

Group	£ Balance 1 April 2020	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2021
Community Network	–	30,000	(16,500)	–	13,500
Peer support review	167,893	–	(167,893)	–	–
Total restricted funds	167,893	30,000	(184,393)	–	13,500
Designated STP fund	79,780	–	(59,501)	(20,279)	–
Designated Community Network fund	–	–	(23,944)	61,509	37,565
Designated Funds	79,780	–	(83,445)	41,230	37,565
General unrestricted	1,767,668	5,754,618	(5,222,273)	(41,230)	2,258,782
Total unrestricted funds	1,847,448	5,754,618	(5,305,718)	–	2,296,348
Total funds	2,015,341	5,784,618	(5,490,111)	–	2,309,848

Charity	£ Balance 1 April 2020	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2021
Community Network	–	30,000	(16,500)	–	13,500
Peer support review	167,893	–	(167,893)	–	–
Total restricted funds	167,893	30,000	(184,393)	–	13,500
Designated STP fund	79,780	–	(59,501)	(20,279)	–
Designated Community Network fund	–	–	(23,944)	61,509	37,565
Designated Funds	79,780	–	(83,445)	41,230	37,565
General unrestricted	1,767,667	5,640,516	(5,108,171)	(41,230)	2,258,782
Total unrestricted funds	1,847,447	5,640,516	(5,191,616)	–	2,296,347
Total funds	2,015,340	5,670,516	(5,376,009)	–	2,309,847

NHS Providers has restricted, and designated funds;

A portion of the funding for the community network is restricted. It is jointly run with the NHS Confederation who provided restricted funding of £30,000 to the network during the year, £13,500 was not spent at year end.

NHS Providers continued to deliver Peer support in partnership with relevant membership bodies. This was funded by brought forward restricted funds of £167,893. There are two designated funds, STP and community network. The STP designated fund was closed during the year by transferring the balance of £20,279 to general reserves as this work is now complete.

Work to support community network trusts is also funded from a designated fund. To fund this work, £61,509 was designated in year. The unspent balance of £37,565 is carried forward to 2022 to fund future support.

Group	£ Balance 1 April 2019	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2020
Peer support review	106,196	187,000	(125,303)	–	167,893
Total restricted funds	106,196	187,000	(125,303)	–	167,893
Designated STP fund	132,031	–	(52,251)	–	79,780
General unrestricted	1,463,514	5,316,265	(5,012,111)	–	1,767,668
Total unrestricted funds	1,595,545	5,316,265	(5,064,362)	–	1,847,448
	1,701,741	5,503,265	(5,189,665)	–	2,015,341

Charity	£ Balance 1 April 2019	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2020
Peer support review	106,196	187,000	(125,303)	–	167,893
Total restricted funds	106,196	187,000	(125,303)	–	167,893
Designated STP fund	132,031	–	(52,251)	–	79,780
General unrestricted	1,463,513	5,027,539	(4,723,385)	–	1,767,667
Total unrestricted funds	1,595,544	5,027,539	(4,775,636)	–	1,847,447
	1,701,740	5,214,539	(4,900,939)	–	2,015,340

17. Analysis of net assets between funds

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2021	£ Total 2020
Intangible fixed assets	–	84,249	84,249	162,231
Tangible fixed assets	–	55,266	55,266	66,462
Net current assets	13,500	2,156,833	2,170,333	1,786,648
	13,500	2,296,348	2,309,848	2,015,341

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2021	£ Total 2020
Intangible fixed assets	–	84,249	84,249	162,231
Tangible fixed assets	–	55,266	55,266	66,461
Investments	–	1	1	1
Net current assets	13,500	2,156,832	2,170,332	1,786,647
	13,500	2,296,348	2,309,848	2,015,340

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2020
Intangible fixed assets	–	162,231	162,231
Tangible fixed assets	–	66,462	66,462
Net current assets	167,893	1,618,755	1,786,648
	167,893	1,847,448	2,015,341

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2020
Intangible fixed assets	–	162,231	162,231
Tangible fixed assets	–	66,461	66,461
Investments	–	1	1
Net current assets	167,893	1,618,754	1,786,647
	167,893	1,847,447	2,015,340

18. Financial commitments

As at 31 March 2021 the charity was committed to making the following payments under non-cancellable operating leases in the following periods:

	£ 2021	£ 2020
Payable in respect of leases expiring:		
Within the year	204,540	204,540
Between the second and fifth year inclusive	78,077	282,617

19. Liability of members

At 31 March 2021 the charity had 215 members. The liability of each member to contribute to the assets of the charity is limited to £1.

20. Related party transactions

For this year, FTN Trading Ltd paid a donation under gift aid to NHS Providers of £39,995 (2020: nil). FTN paid a management charge of £58,758 to its parent charity during the year (2020: £106,640). At the year end NHS Providers was owed £99,345 (2020: £133,535) by FTN Trading Limited.

Transactions between the holding and subsidiary company are conducted at arms length. For membership organisations that are represented on NHS Providers elected board of trustees, preferential rates are not applied to subscription fees or attendance at NHS Providers events.

All elected board members are either chairs or chief executives of member organisations. Ron Kerr is the remunerated chair.

NHS Providers occasionally takes on temporary staff to provide extra assistance at short notice. During the period of this report, the son of a senior executive was contracted on a temporary basis following a competitive process. The senior executive played no part in this process, setting of terms and conditions or the management of their son's work. The value of the contract for services was £6,608 over a 4 month period.

There are no other related party transactions during the year.

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	£ 2021	£ 2020
Net income for the reporting period (as per the statement of financial activities)	294,507	313,600
Add back: depreciation	122,291	126,500
Deduct interest income shown in investing activities	(7,275)	(3,581)
(Increase)/decrease in debtors	(263,765)	249,015
Increase/(decrease) in creditors	207,674	(303,847)
Net cash inflow from operating activities	353,432	381,685

22. Comparative statement of financial activities 2020

	£ Unrestricted funds	£ Restricted funds	£ Total 2020
Income from			
Charitable activities	600,044	187,000	787,044
Subscription income	4,317,290	–	4,317,290
Other trading activities	395,350	–	395,350
Investments	3,581	–	3,581
Total income	5,316,265	187,000	5,503,265
Expenditure on			
Trading activities	288,726		288,726
Charitable activities	4,775,636	125,303	4,900,939
Total expenditure	5,064,362	125,303	5,189,665
Net income/(expenditure) and net movement in funds for the year	251,903	61,697	313,600
Total funds brought forward	1,595,545	106,196	1,701,741
Total funds carried forward	1,847,448	167,893	2,015,341

NHS Providers is the membership organisation and trade association for the NHS hospital, mental health, community and ambulance services that treat patients and service users in the NHS. We help those NHS foundation trusts and trusts to deliver high-quality, patient-focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate.

NHS Providers has all trusts in membership, collectively accounting for £84bn of annual expenditure and employing more than one million staff.



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NHS Providers is the operating name of the
Foundation Trust Network
Registered charity 1140900
Registered in England and Wales as company
7525114

Registered Office
One Birdcage Walk,
London SW1H 9JJ

Foundation Trust Network operating as
NHS PROVIDERS
