



The Foundation Trust Network operating as
NHS PROVIDERS

TRUSTEES' ANNUAL REPORT
AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2022

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2022. The financial statements have been prepared in accordance with the Charities Act 2011, 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) issued on 16 July 2014.

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 2021 until 31 March 2022.

CHAIR'S REPORT

NHS Providers has had another exceptional year acting as the membership organisation for the 212 NHS acute hospital, mental health, community and ambulance trusts and foundation trusts who provide healthcare to England's 56 million population. Our members faced extraordinary challenges in dealing with successive waves of the pandemic, growing demand for many services and the need to address unprecedented treatment backlogs. They were also at the forefront of the hugely successful vaccination programme.

Their achievements were hard won, reflecting the commitment and ingenuity of trust leaders and frontline staff, adapting to challenges by working in different ways, and collaborating with a range of partners to secure the best possible outcomes for patients and service users. As the voice of trusts in systems, NHS Providers was at the heart of this endeavour, working to shape the environment, highlight challenges, provide support, share good practice, and promote success.

We remained on the front foot in our behind the scenes influencing activities, and our media work, anticipating and responding to growing critical scrutiny, explaining the challenges and making the case for the NHS. Our programme of events and networking opportunities, including the Annual Conference and Exhibition, continued online successfully, despite the pressures and uncertainties posed by the pandemic.

We also made great strides in developing and delivering the funded programmes outlined in our four-year strategy, including activities to support members in the new integrated care landscape and pressing ahead with our commitment to become an actively anti-racist organisation, while supporting members on the same journey. As the continuing excellent results from our member, stakeholder and staff 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.

This was accomplished amid a period of change and upheaval for our members, while we also had to adapt to the cultural challenges of becoming a larger organisation, taking on new colleagues and different ways of working. Those challenges will continue, but NHS Providers is well placed to step up to the next level in supporting members in a fast-changing health and care environment.



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 56 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 the NHS's 1.2 million staff, and account for £65bn of the £104bn 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.

We are now in the second year of our organisational strategy which we launched in April 2021. Our strategy is designed to enable us to respond to changes in the external environment, including the coronavirus pandemic, and to act on feedback from our members to deliver our influence, voice and support in the changing context of the move to integrate health and care in local systems.

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

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

Over the course of 2021/22, we continued to deliver effective influence, voice and support for our membership, with a keen focus on highlighting the sustained impact of the pandemic on NHS services and championing our members’ commitment and achievements in unprecedented times. The past 12 months have seen significant developments for the NHS in which we have played a key role, not least in helping to shape the most significant piece of health legislation in a decade; effectively lobbying to maximise funding for the NHS ahead of the comprehensive spending review; and supporting trusts to prepare to work differently and collaboratively in local systems.

We have continued to operate a hybrid working model, opening the office when it was safe to do so, and supporting staff to work virtually, safely and effectively. Our staff have once again gone above and beyond to deliver for the membership in a new context.

The year ahead will bring further change for the NHS, for our membership and for NHS Providers as we come under the leadership of a new chief executive, following the departure of Chris Hopson. A sustained period of succession planning in recent years leaves us in the best possible position under the leadership of our interim chief executive, Saffron Cordery (previously deputy chief executive). As we explore later in this report, we are also looking forward to moving to more suitable, modern and accessible office facilities over the course of 2022/23.

Below we set out a short summary of our work and achievements against each of our four strategic objectives: influence, voice, support and excellent organisation, including the priorities we set out for 2021/22 in our previous annual report.

Influence

Over the course of the year, we had demonstrable impact in the following key areas of national policy, as planned:

- **Highlighting the sustained impact of the pandemic, and wider operational pressures** – we have continued to highlight the additional pressures generated by coronavirus, which has exacerbated fault lines predating the pandemic: a decade of underinvestment in the NHS leading to a mismatch between capacity and ever-growing demand; a need to strengthen national workforce planning and resolve over 100,000 vacancies in the NHS; and the need for political decisiveness to place the social care system on a sustainable footing. Our annual ‘winter watch’ campaign and ‘activity tracker’ provided informed commentary on performance figures and the pressures on the service. We continued to remain engaged in national policy to shape the vaccination approach, to understand the long-term impact of the pandemic on health inequalities, and what the NHS needs to ‘live with’ the virus.
- **A prioritised, and resourced ‘ask’ of the NHS** – we used our influence on the planning guidance and other key documents to argue for a clear and deliverable ‘ask’ of the service in the wake of the pandemic which is resourced and realistic and incorporates learning from the last year.
- **Funding and resourcing** – 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 a key role in securing the best possible settlement for the NHS ahead of the comprehensive spending review, October 2021, working jointly with NHS Confederation to demonstrate that the cost base for trusts had shifted considerably thanks to the pandemic. Given the sustained pressure facing the health and care sector, with a need to bear down on care backlogs and meet rising demand, securing a realistic, funded ask of the NHS and pushing back on excessive efficiency demands, remain core priorities.
- **Supporting the NHS workforce** – we were proactive within a 100 strong coalition making the case to strengthen the secretary of state’s duties around workforce planning within the health and care bill. While this was not entirely successful, it has successfully highlighted a key challenge on which the representative bodies of the sector are united. We gave oral and written evidence to three pay review bodies this year and actively monitored changes to pension rules and regulations.
- **Legislating for change** – we prioritised our activities over the last year to ensure provider interests were fully represented during the passage of the Health and Care Bill (now Act) through parliament. This involved producing numerous briefings for parliamentarians, working closely with Department for Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE/I) colleagues, and with other stakeholders particularly King’s Fund and NHS Confederation. We were pleased to secure additional safeguards around proposals for the secretary of state to direct local service reconfiguration; to ensure foundation trust capital expenditure can only be directed by NHS England (NHSE) in limited circumstances; to protect an enabling piece of legislation overall and to support and strengthen the configuration of Integrated Care Boards (ICBs); and to protect the ‘safe space’ the Health Services Safety Investigations Body (HSSIB) required to ensure the NHS learns from mistakes. We continued to engage with DHSC on reforms to the Mental Health Act which will be a focus in the year ahead.

- **Supporting integration and system working** – as trusts became more established as the leaders and co-leaders of system working, we helped to shape new policy and regulatory frameworks constructively. We have been proactive in supporting trusts to work collaboratively at neighbourhood, place, Integrated Care System (ICS) and pan ICS levels with a clear focus on influencing and supporting the development of provider collaboratives. We have also developed our relationships with other types of providers and their representative bodies including in primary care, local government, and social care.
- **Public health and health inequalities** – we scoped out a new programme of influence and support to promote the role trusts play as anchor institutions in tackling health inequalities within their communities and share learning across the sector more effectively. We have made significant progress in ensuring health inequalities are a theme running throughout our messaging.
- **Maintaining clear thought leadership on governance and accountability** – our thought leadership on governance informed our work on the recent legislation making clear that good governance is no barrier to collaborative working. We continued 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 NHSE/I, and the Care Quality Commission (CQC), we helped to ensure that current and future approaches are proportionate and that the burden of regulation is reduced. We have focused particularly on facilitating frank and honest two-way engagement between our membership and the CQC's top team; implementation of CQC's new strategy; and how the regulators adapt their approaches to the new context of system working.
- **Developing a quality lens on all our influencing work** – focusing on the trust board's role in leading and creating a quality improvement and learning culture, we argued for a national policy approach that ensures the NHS remains a great place to work and create the conditions for patient safety. We have informed the development of national quality and safety policy in the context of system working and developed our understanding and positioning relating to litigation reform.
- **Digital transformation** – we argued for sufficient, co-ordinated funding for trusts and their partners in support of digital transformation; continue our dedicated support offer for boards and developed a new offer for ICSs working with NHS Confederation as a delivery partner. We also informed proposed changes in the national architecture to support digital transformation.

Sector focus

- **We supported our mental health leaders,** reflecting their views in key stakeholder fora over the course of the year. Highlights include, our engagement with the secretary of state and colleagues on the cross government 10-year plan for mental health and reform of the Mental Health Act 1983; hosting 'in conversation with' events with the minister of state for care and mental health, Gillian Keegan, and with Claire Murdoch, national director for mental health; informing debate on DHSC's Liberty Protection Safeguards steering group and implementation; engaging with the CQC on restraint, segregation, and seclusion and calling for onsite inspection of mental health and community providers to be postponed in line with provisions for acute and primary care settings. We also responded to the NHSE/I mental health access standards consultation and DHSC's consultation on proposed guidance for the Use of Force Act 2018.

- In parliament, we pursued opportunities during the passage of the Health and Care Bill to promote parity of esteem, and we made a submission to the Health and Social Care Committee Mental Health Expert Panel to inform its evaluation of progress made against government commitments for mental health services. We held a member roundtable to support mental health provider collaboratives which will inform the next phase of the development of our support offer. We held a successful journalist briefing on mental health, learning disability and autism services, and have made numerous sector-specific media interventions to explain performance, particular pressure points and what is needed to address these from mental health trust leaders' perspectives.
- **We continued to champion the role of community services via the Community Network** which we host in partnership with NHS Confederation. We continue to improve the profile of community services within our media messaging, effectively delivering a package of work to highlight care backlogs in the community, particularly their impact on health inequalities and children and young people – and repeatedly highlighting the impact of the cost of living crisis. We have established a series of helpful meetings with the relevant ministers and continued to support the profile of the Community Network chair, supporting a number of changes at board level over the last year.
- **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 with a group of larger scale primary care providers. Our work with NAPC has focused on neighbourhood level support for integration, with a number of pilot workshops now planned to help facilitate local level change. We have helped to bring the 'at scale' group together with several influential stakeholders, including Amanda Pritchard, chief executive, NHSE. We have also developed relationships with relevant royal college and NHS Confederation stakeholders as well as some national policy makers. We submitted evidence to a health and social care committee inquiry on primary care and recruited for a new policy advisor role who will help us to develop our positioning to support the interface between primary and secondary care.
- **We continued our work with Shelford Group and Federation of Specialist Hospitals** to re-engage effectively with NHSE/I 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 NHSE/I, the CQC and other national bodies.

Over the past year, we continued to offer our 'in conversation with' programme virtually. 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.

In total during the year we:

- Published 98 briefings and reports, with approximately 15 On the day briefings;
- Submitted 28 consultation responses; and,
- Held over 600 meetings with key national decision makers.

Voice

Over the past year NHS Providers has cemented its standing as an authoritative and trusted commentator on provider issues and the wider challenges facing health and care. Trusts and stakeholders value our informed, measured, and insightful commentary, and we have maintained our prominent media stance on a range of concerns including the continuing impact and repercussions of the pandemic.

We always strived to strike the right balance between reflecting the risks posed by unprecedented pressures at a time of severe and sustained workforce shortages, while retaining a sense of agency, emphasising trusts' extraordinary achievements and the need to reassure the public that the NHS was there for them. It was notable that even as treatment backlogs increased and critical scrutiny intensified, support for the founding principles of the NHS (reflected in the British Social Attitudes Survey) remained strong.

NHS Providers played an important public role in making the case for increased funding in the government's spending review, working in close collaboration with NHS Confederation on the report and public messaging that preceded the relatively generous settlement. We were proactive and effective convenors of partners to strengthen our impact where we felt the reputation of the NHS was under threat.

The health and care levy has raised the public's expectations of how quickly the NHS can bear down on care backlogs created by the pandemic. In this challenging context, we underlined trusts' leaders' commitment to providing high quality timely care, while also explaining the scale and complexity of the challenges trusts face in addressing those concerns. By the end of the year the pressures posed by Covid-19 appeared to be easing but NHS Providers had an important role in emphasising vigilance against future surges of a pandemic that has always proved unpredictable. As we head further into the pre-election period, with the Covid-19 public inquiry looming, the importance of explaining and contextualising the decisions and actions of trusts and their partners will be key to ensuring a fair hearing for a balanced and informed narrative.

NHS Providers was proactive in framing public debate during the passage of the Health and Care Act, while emphasising the key role providers are already playing in integration, and their increasing engagement with health and care inequalities, population health and prevention. The legislative process offered a focus to highlight – with others – the need for a fully costed and funded workforce plan and the long-term neglect of social care.

Over the course of this busy year, we secured more than 44,000 media mentions – a significant increase on the previous 12 months, and successfully placed over 50 commentary pieces authored by our staff and experts from partner organisations or members. We continued to strengthen our social media engagement on twitter and LinkedIn, and we developed our use of videos and podcasts to increase our reach across digital platforms.

Support

We successfully transformed our development and support programmes for trust boards and governors to a mix of virtual and face-to-face delivery, 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 700 senior leaders, stakeholders, and journalists at our virtual annual conference
- Held 378 development and engagement events for our members, involving nearly 8,000 delegates with 100% of our members engaging with at least one programme and 99% of delegates said they would recommend these events to a colleague. These events totalled:
 - 39 network meetings for board level directors
 - 15 virtual roundtables with key system figures
 - 136 board development courses, reaching 1,847 delegates
 - 78 virtual courses within our GovernWell training programme, reaching 1,219 NHS foundation trust governors

- Continued our Digital Boards programme, designed to support boards in leading digital transformation, and engaged with more than 800 directors from 149 trusts, delivering 37 bespoke board development sessions, a wide range of peer learning events, and two leadership guides.
- Delivered our Leading Integration Peer Support programme, working with 13 local systems in partnership with the NHS Confederation, NHS Clinical Commissioners and the Local Government Association, focusing on supporting effective collaboration between the NHS and local authorities.
- Launched our Trust-wide Improvement programme, supporting boards to understand and implement a whole organisation approach to improvement, engaging over 80 trusts and delivering five peer learning webinars and five action learning sets and a board level guide to improvement.
- Launched our Provider Collaboration programme which focuses on maximising greater collaboration at scale and delivered seven virtual webinars for 330 attendees.
- Launched a new programme aiming to facilitate board level leadership to effectively tackle race inequality and embed this work as a core part of the board's business.
- Scoped new support offers including a new ICS Digital Boards programme for ICBs to help lead digital transformation, and a programme focussed on enabling provider boards to effectively tackle health inequalities.
- Continued to develop and deliver a range of additional, tailored support for boards, some of which are supported by external funding where possible and appropriate.

Excellent organisation

Implementing our four-year strategy

In April 2021, we launched a new four-year strategy for the organisation in response to the external environment, and to feedback from members who wanted us to do more to help shape their role in system working. The strategy was developed in partnership with our elected board and shared with our membership for consultation.

As set out in the strategy, we have used this first year of implementation to progress a revised business model to increase and diversify our income by:

- Increasing commercial income based on appropriate criteria
- Seeking additional income from partners including national NHS bodies without compromising our independence and growing our income to deliver support programmes for members working with other partners
- Over the four years of the strategy, prudently drawing down the reserves we have built up, reducing the uplift in membership fees and allowing the increased expenditure needed to deliver the strategy
- Making a carefully judged uplift in membership fees over the first two years of the strategy which included protections for trusts with a lower turnover and ensuring no trust was asked to pay more than an additional £10K over the two-year period.

Shared values and behaviours

Alongside the strategy, in April 2021, we launched our organisational values. Co-produced with the staff team, our values and behaviours underpin our approach and all our work. Over the last year we have prioritised embedding those values in everything we do, starting with our robust performance management process and reviewing a range of other relevant corporate policies. A values and behaviours staff group continues to meet to ensure that the values are taken into account in all our activities and decision making.

We also embarked on a significant work programme to address race equality issues within the organisation and to support capacity in member trusts. Following an independent report on race equality at NHS Providers we have made an explicit commitment to be an anti-racist organisation and are developing an anti-racism statement and detailed action plan setting out what we will do to drive forward, monitor and measure progress against that commitment. A key part of the process has been the development of a staff group, the Race Equality and Cultural Inclusion Group (RECI) which provides support and challenge to the leadership.

Despite another difficult year for everyone given the impacts of the pandemic, and the need to continue working from home, our staff survey results continue to be extremely positive with 84% saying they are satisfied with their job and 85% recommending NHS Providers as a good place to work.

Office move

With the lease on our current office coming to an end, and a need for more modern, flexible and accessible office space, a key priority over the last year has been reviewing our requirements for the physical environment. We have worked closely with the staff team to understand our working needs and how an office space might facilitate those. Our office move will support the introduction of a new flexible and hybrid working policy which we hope will continue to offer a supportive, inclusive and collaborative environment for all staff, with options to work from home some days in the week, with a clear office base.

Feedback from members and stakeholders

During 2021/22 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 2021/22 financial year, NHS Providers had 100% of the 212 eligible foundation trusts and trusts in membership.

In the most recent members survey 96%, (2020-94%) of respondents were 'very' or 'fairly satisfied' with the work of NHS Providers; with over half (54%) 'very satisfied'. A very similar proportion of members (97%) are satisfied with the way we flexed our approach and prioritised specific topics – up from 93% in 2020. We also improved on previous years with 90% of respondents feeling we represented their views well in the media. Crucially 96% felt it was 'very' or 'fairly important' for their organisation to be a member of NHS Providers, and 96% of chairs and chief executives felt it was important for them individually. 94% 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 – resulted, once again, with very strong and positive feedback that found stakeholders regard engagement with NHS Providers as extremely valuable. The most common words used to describe NHS Providers were: 'authoritative, professional, knowledgeable, insightful, effective, visible and vocal'.

Staff wellbeing and support

Once more we have continued to invest in support and recognition for our staff. Overall job satisfaction improved slightly on the previous year, with 84% saying they are satisfied with their job, and staff remain very positive about the culture of the organisation, their line manager and leadership. We have recognised the challenges of virtual home working, returning to the office and sometimes difficult workloads and continue to place particular emphasis on prioritising staff wellbeing and providing the support our people need. In particular, we have maintained our flexible working approach and new hybrid ways of working which has provided an important balance for staff.

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 212 hospital, mental health, community and ambulance trusts in England. The year ahead will bring change as we appoint a new substantive chief executive, refresh our approach to flexible working for the staff team and move to new, more modern and suitable office space. But our strategic priorities, and our laser-like focus on meeting the needs of our membership remains unchanged.

As we enter the second year of our strategy, we will continue to make a concerted effort to understand 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.

Our priorities for 2022/23 are outlined below against each of our four strategic objectives of influence, voice, support and excellent organisation. The strategic objectives set out in our 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.

Influence

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

- **NHS strategy** – we will influence NHS strategic developments such as the long-term plan refresh, ensuring that provider needs are given adequate attention and the ask of the sector is realistic and meaningful in improving patient and population health. We will engage with the secretary of state to inform development of national public positioning around the NHS, and also with opposition parties (especially bearing in mind a 2023/24 general election).
- **NHS funding and finance** – we will continue to reflect the impact of Covid-19, and sustain our focus on provider finances, payment systems and financial architecture, financial regulation and contracting. This year we will also invest resource in highlighting the impact of delays to the New Hospital Programme and the wider need for capital investment.
- **Regulation and oversight** – we will focus on the roles of CQC and NHSE, particularly as the sector moves towards system working; the operating model and potential for increased centralisation at NHSE; the implementation of CQC's new strategy and approach; overall burden and proportionate regulation; and the balance between organisational regulation and system oversight.

- **Ensuring care quality runs through all of our messaging** – we will focus on creating a more sophisticated narrative around quality, including drawing greater attention to the consequences for quality of broader NHS policies, with a particular focus on board leadership and engagement with quality, quality oversight within system working, culture, quality improvement, patient safety, clinical negligence and high-risk services.
- **Governance** – we will focus on good governance and clear lines of accountability, including in the context of system working; continuing to promote the value of the unitary board; continuing to explore the relationship between governance and regulation.
- **Operational performance** – we will focus on how trusts are addressing the care backlog, operational resilience, capacity and winter preparedness, the next phase of the clinical review of standards and recovery post Covid-19.
- **Digital** – we will focus on digital leadership within trusts and representing trusts' views on informatics and the digital agenda to NHSE and NHS Digital.
- **System working** – we will continue to promote our messaging around the critical roles of 'trusts in systems', on shaping the national health and care architecture, and implementation of statutory ICSs following new legislation; developing integrated care models through provider collabs and advocating for the contribution of providers at place level.
- **Equalities – on race equality**, alongside our support work, we will ensure that our policy influencing and analysis reflects the impacts of structural racism on the public, patients and staff as well as the services they use and provide; **on health inequalities** – we will launch a full policy offer, making sense of trusts' and systems' roles in improving inequalities, shaping the policy environment, and commenting on developments in this emerging agenda.
- **Workforce** – we will focus on Covid-19 recovery; inclusive leadership; equality, diversity and inclusion; strategic workforce planning; supply of clinical staff; pay, terms and conditions.
- **Mental health** – with a focus on implications for mental health services of national policy and growing demand/ complexity as well as the legacy of the care deficit / lack of parity of esteem, as well as influencing specific developments (e.g. new Mental Health Act, Liberty Protection Safeguards (LPS) implementation, children and young people mental health care, mental health in the long term plan refresh).
- **Community providers** – supporting the Community Network and its board jointly with NHS Confederation. Priorities include raising the profile of community services, funding and transparency of funding flows, and the role of community services at every level of the system and public health.
- **Ambulance** – working with Association of Ambulance Chief Executives (AACE) to raise profile of challenges impacting the ambulance sector, including tackling handover delays.
- **Specialised services** – working with the Shelford Group and Federation of Specialist Hospitals to influence commissioning and delivery arrangements for specialised services constructively in the context of system working.
- **Primary care** – consolidating our emerging partnerships with 'at scale' primary care providers and with NAPC; develop stakeholder relationships with other relevant parties and commentators; shaping the policy environment in members' interests where we can add value.

Sector focus (all priorities run across the year)

Voice

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

- being the recognised commentator for NHS provider issues, within the evolving context of system working, for both the national and trade media
- ensuring we have significant reach, profile and impact 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 the wider health and care system, and what trusts and their partners 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
- mirroring and building on 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 continue to help members drive improvement and innovation through effective, shared development, support, and learning with a particular focus on:

- Peer learning, training, and development opportunities for specific board director roles through our networks, induction programmes, our board and governor training programmes and our commercial partnership programme.
- GovernWell and Governor Support will continue to deliver a full range of training courses aimed to equip foundation trust governors with the skills required to fulfil their responsibilities.
- Bringing together provider sector board members to discuss and advise us and key stakeholders on key topics through roundtable events, dinners and our “In Conversation with” series.

- Whole board support through our growing portfolio of programmes to help boards adapt and lead in a rapidly changing operating environment, including:
 - The **Board development programme’s** series of training courses and offer of bespoke board development for individual trust boards.
 - Continuing our **Digital Boards programme** delivered in partnership with Public Digital and supported by Health Education England and NHSE/I, to build boards’ understanding, confidence and capability to harness the opportunities digital provides to transform services for patients and service users.
 - Building further on our **Trust-wide Improvement programme**, supported by the Health Foundation, supporting boards to develop greater awareness and understanding of improvement at scale, both within and beyond the boundaries of a single provider, and to take action to implement and sustain improvement.
 - Launching the **Race Equality programme** to support trusts to effectively identify, challenge and lead work on race inequality, and to embed this work as a core part of the board’s business.
 - Launching a programme to help boards to effectively tackle **health inequalities**.
- Supporting trusts in systems, including:
 - Continuing to build our **Leading Integration Peer Support offer** delivered in partnership with NHS Confederation, NHS Clinical Commissioners and Local Government Association.
 - Delivering the **Provider Collaboration programme** focused on collaboration at scale, supporting members to maximise the potential to tackle care backlogs, reduce unwarranted variation, address health inequalities and deliver more efficient, sustainable services.
 - Launching a board level support offer to help ICS leaders and ICBs to lead **digital transformation across their system** as a critical enabler to improve outcomes, tackle inequalities, enhance productivity and drive wider social and economic development.

- Our annual programme of major conferences for members including our Annual Conference and Exhibition held each autumn and due to be held in Liverpool in 2022. Throughout 2022/23 we will deliver our support offer, blending both face-to-face and virtual learning as members require.

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:

- Continuing to deliver our four-year strategy.
 - Driving the implementation of the race equality action plan.
 - Completing our office move to new accommodation, without disruption to our work on behalf of members, or fall in staff satisfaction.
 - 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:
 - Maintaining commercial income in 2022/23 whilst seeking growth opportunities and without relaxing our partnership criteria. We will do this by developing our existing offers to engage commercial partners, enabling them to bring thought leadership and insight to our members.
 - Delivering a successful face-to-face annual conference and exhibition, with sponsorship at or greater than the level secured in previous years.
 - Seeking additional project funding from national bodies (such as NHSE/I) from the current £3.8m.
 - A sustained focus on efficiency at NHS Providers including an annual cost improvement plan.
 - Making a drawdown from our reserves to the end of the four-year period to bring them within the agreed range of between £900k and £1.3m. This drawdown, and the increased expenditure required over the four-year period to deliver the strategy, will utilise the significant surplus from 2021-22.

Further information and contact details

Saffron Cordery, interim chief executive
NHS Providers

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London SW1H 9JJ

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Email: enquiries@nhsproviders.org

Web: www.nhsproviders.org

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 111.5% to £2,566,044 (2021: £1,213,408). This change is driven by a sustained increase in project income. In 2022 NHS Providers secured two-year funding from NHSE/I to deliver workstreams on a national agenda, including health inequality, race equality and system work of £1.18m. NHS Providers fulfilled the penultimate stage of a three-year project funded by Health Education England (HEE) on digital transformation, total value £2.6m. NHS Providers continued delivering a peer support offer for local systems and was awarded funding of £110k during the year for this purpose. NHS Providers also secured further funding of £520k, (£120k relating to the 21/22 financial year), to deliver peer support work until 2024. Course income has increased significantly by 66% to £554,467 (2021: £334,541). Courses continued to be delivered in a blend of hybrid and face-to-face which has increased accessibility. The increased income reflects the strategic commitment to grow course income and is reflective of the excellent course ratings which has driven member engagement.

Subscription income grew by 16.6%. The increase is in accordance with the table of percentage fee increases approved in the four-year strategic plan. At year end NHS Providers had 100% of trusts in membership, which represented 212 trusts.

Revenue of the charity's wholly owned subsidiary, FTN Trading Limited, decreased by 16.6% from £212,852 to £177,359 for the year ending 31 March 2022.

Due to Covid-19 related pressure within trusts, the face-to-face Annual conference and exhibition (ACE) was cancelled. This directly impacted ACE commercial income as although the conference was delivered virtually, no income was generated through ticket sales or stands. Although ACE income fell, other commercial income grew by 133% and indicates the consolidation of multi-year relationships established with commercial partners as well as growth of initiatives such as Panel membership income. The trading entity realised a small deficit for the year of £9,476 (2021: £39,995).

Overall expenditure increased by 26% to £6,785,181 (2021: £5,376,009). The uplift in expenditure is due partly to a 51% increase in spend to fulfil project delivery. The balance of the increase reflects the investment in staff to fulfil our strategic plan. Cost increases are still offset in 2022 by variable cost savings.

NHS Providers realised a surplus of £878,630 for the year, (2021: £294,507). This aggregates, a surplus on unrestricted funds of £830,216 and a surplus on restricted funds of £48,414. The surplus was higher than originally budgeted and reflects in part variable cost saving "windfalls" due to a further year of remote working patterns and reduced venue hire costs due to virtual delivery on courses. Project profitability has also been strong. In 2022 NHS Providers, began a large recruitment drive to resource project work adequately as well as increase headcount to fulfil delivery of the four-year strategy. The impact of full year salary costs and costs of returning to hybrid ways of working will impact on finances from 22/23. Although NHS Providers has delivered a strong surplus, the surplus is required for re-investment and funding operations in 22/23 and 23/24 and to meet additional staffing pressures in the business.

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.

In 2022, the Board agreed to change required reserve levels from a minimum level of £1.3m to a range. The range has been set at £900k to £1.3m. 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 £3,018,349, well in excess of the reserve level set. The four-year strategy plans for managed re-investment of some of the excess reserves in its delivery. The excess reserves are therefore planned to reduce to within the agreed range by the end of 2024. The finance and general purposes committee will review the level 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-19 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. Despite the small deficit sustained by the trading entity, the expectation is to return to profitability in 2023.

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. We measure project contribution at bid proposal and monitor during its delivery life cycle. 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, reforecasting, 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 bench-marked against the market. Engaging with and monitoring staff well-being to mitigate against any adverse impact due to rapid organisational growth, new ways of hybrid working and pending office move.
- **Reputational:** on going assessment of reputation is undertaken through a number of channels including senior management and the board. We acknowledge that we need to remain reactive to changing member requirements and have the capacity to do so. We have committed to improving our internal approach to diversity and inclusion in support of our members and acknowledge the inherent risks in getting the work right for us and our members. Increased engagement with external funders and joint projects necessitates rigorous upfront assessment and active management of the relationships and projects to mitigate reputational and financial risks.
- **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 and project 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 safeguarding of information.

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 11th 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 December 2021.

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 2021/22 and to the date of this report are listed on page 25, Senior executive staff and external advisors are detailed on page 25.

During 2021-22 the board comprised of 23 trustees:

- 10 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
- two co-opted members
- one independent chair.

Due to Patricia Miller's resignation as chief executive of Dorset County Hospital NHS FT to lead the Dorset ICB, she could no longer serve as a trustee of NHS Providers. However, in order to ensure appropriate focus and input from the ICB perspective, the board approved her co-option to the Board in February 2022, as permitted by the Articles of Association. Similarly, Alan Foster was co-opted to the board in 2019 and this was approved by the board for a further year in 2020 and in 2021.

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 seven 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 into the process by which the board reviews and monitors 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 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 subcommittee meetings.

During the period covered by this report, the NHS Providers board met a total of seven times.

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, the director of programmes 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 2021/22 comprised six trustees and a co-opted finance director member, Mike McEnaney, who was appointed in October 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. In 2021 a time limited sub-committee for race equality was convened to provide support and challenge on the development of the race equality programme.

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 5 the organisation needs to maintain a team of expert specialist staff covering areas as diverse as media, brand and communications, a breadth of healthcare policy issues, governance, development, engagement and event management and corporate functions including human resources, organisational development, financial management and ICT support.

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 on pages 22 to 24.

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 2021/22, met twice. 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.

2021/22 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 2021/22 was £24,000.

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 4.5% to take effect from April 2022.

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 January 2022 indicated that NHS Providers' staff salaries are in line with or below market rates. There were significant difficulties in recruitment during the year and a number of leavers cited the competitiveness of the salaries as a primary reason for leaving. In order to attract and retain high calibre staff, in the context of the rising cost of living, a higher than usual percentage increase was awarded. 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 NHS Confederation and, in the case of the chief executive, the salaries paid to chief executives of member organisations and relevant arm's 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 and an uplift for the three permanent directors was agreed but for 2021-22 director salaries were agreed to be in line and directors received the same percentage increase as staff. The exception to this was the salary of the deputy chief executive which was reviewed and benchmarked and found to be significantly below where it should be. As a result, an additional uplift was agreed. Once again, this year, it was agreed that the chief executive's pay would be frozen.

The results of the pay policy in relation to total remuneration, including salary and pension contributions, for 2020/21 and 2021/22 are reflected in the table on page 24.

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
- 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)
- 85% of staff would recommend it as a good place to work, 93% thinking their colleagues are committed to delivering high quality services and 78% believe the organisation supports and promotes their personal health and wellbeing.

Summary of remuneration: key management personnel

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

	2021/22 remuneration		2020/21 remuneration	
	Salary	Pension contribution	Salary	Pension contribution
Ron Kerr, Chair	£55,000	-	£55,000	-
Chris Hopson, chief executive	£218,436	£19,659	£218,436	£19,659
Saffron Cordery, deputy chief executive	£149,059	£13,415	£123,342	£11,101
Adam Brimelow, director of communications	£102,497	£9,225	£96,331	£8,670
Miriam Deakin, director of policy and strategy	£102,497	£9,091	£96,331	£8,535
Kevin Rennie, Interim Chief operating officer *	£85,848	£7,726	£105,000	£5,250
Alexis Chapman, interim COO *	£1,154	£35	-	-
Jo Whyte, assistant director of corporate services	£86,715	£7,804	£84,355	£7,592
Jenny Reindorp, interim director of funded programmes *	£16,250	£488	-	-

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

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

For information, C Hopson, S Cordery, A Brimelow, M Deakin, K Rennie, Alexis Chapman, Jo Whyte, Jenny Reindorp were all employees of the company during 2021/22.

Banding

The number of employees whose emoluments exceeded £60,000 for the period was:	2022	2021
£60,000 – £70,000	4	4
£70,001 – £80,000	-	2
£80,001 – £90,000	5	1
£90,001 – £100,000	-	2
£100,001 – £110,000	2	1
£120,001 – £130,000	-	1
£140,001 – £150,000	1	-
£210,001 – £220,000	1	1

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees/non-executive directors

Tracy Allen
Ingrid Barker
Ann Beasley
Susan Brain England
Mary Elford
Daniel Elkeles
Alan Foster
Beatrice Fraenkel
Angela Hillery
Nicholas Hulme
Sir Ron Kerr
Brent Kilmurray
Heather Lawrence
Deborah Lee
Harriet Llewelyn-Davies
Lance McCarthy
Kathy McLean
Patricia Miller
Christine Outram
Therese Patten
Linda Pollard
Helen Ray
Jagtar Singh
Karamjit Singh
Tracy Taylor
Melanie Walker.

Senior executive staff/directors

Chris Hopson	Chief Executive (resigned 10 June 2022)
Saffron Cordery	Interim Chief Executive (appointed 13 June 2022)
Adam Brimelow	Director of communications
Miriam Deakin	Director of policy and strategy & Deputy CE (Interim) (appointed 1 July 2022)
Kevin Rennie	Interim chief operating officer (resigned 31 January 2022)
Alexis Chapman	Interim chief operating officer (appointed 29 March 2022)
Jenny Reindorp	Interim director of funded programmes
Jo Whyte	Assistant director of corporate services

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 2 November 2022 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 2022

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 2022 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 of 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in

accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions 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 12 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 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' remunerations 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 the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 26, 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.

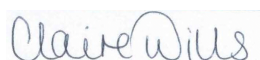
A further description of our responsibilities is available on the Financial Reporting Council's website at:

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.



Claire Wills (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

Date: **07 November 2022**

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 2022

	Note	£ Unrestricted funds	£ Restricted funds	£ Total 2022	£ Total 2021
Income from					
Charitable activities	2	2,318,544	247,500	2,566,044	1,213,408
Subscription income		5,076,441	-	5,076,441	4,351,083
Other trading activities		177,359	-	177,359	212,852
Investments	4	1,635	-	1,635	7,275
Total income		7,573,979	247,500	7,821,479	5,784,618
Expenditure on					
Trading activities	3	157,668	-	157,668	114,102
Charitable activities	5,6,7	6,586,095	199,086	6,785,181	5,376,009
Other		-	-	-	-
Total expenditure		6,743,763	199,086	6,942,849	5,490,111
Net income/(expenditure) and net movement in funds for the year		830,216	48,414	878,630	294,507
Total funds brought forward	16	2,296,347	13,500	2,309,847	2,015,341
Total funds carried forward	16	3,126,563	61,914	3,188,477	2,309,848

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 34 to 47 form part of these financial statements.

GROUP BALANCE SHEET 31 MARCH 2022

	Note	£ 2022	£ 2021
Fixed assets			
Intangible fixed assets	12	6,900	84,249
Tangible assets	12	101,314	55,266
		108,214	139,515
Current assets			
Debtors	14	837,882	516,526
Cash at bank and in hand		3,512,425	2,361,370
		4,350,307	2,877,896
Creditors			
Amounts falling due within one year	15	(1,270,044)	(707,563)
Net current assets		3,080,263	2,170,333
Net assets		3,188,477	2,309,848
Funds			
Restricted funds	16	61,914	13,500
Unrestricted funds	16	3,126,563	2,296,348
		3,188,477	2,309,848

The notes on pages 34 to 47 form part of these financial statements.

The total income of the charity as an individual entity for the year was £7,644,120 (2021: £5,571,766) and its net income was £858,939 (2021: £195,792). 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 2 November 2022 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CHARITY BALANCE SHEET 31 MARCH 2022

	Note	£ 2022	£ 2021
Fixed assets			
Intangible fixed assets	12	6,900	84,249
Tangible assets	12	101,314	55,266
Investments	13	1	1
		108,215	139,516
Current assets			
Debtors	14	869,315	525,227
Cash at bank and in hand		3,203,344	2,266,411
		4,072,659	2,791,638
Creditors			
Amounts falling due within one year	15	(982,922)	(621,307)
Net current assets		3,089,737	2,170,331
Net assets		3,197,952	2,309,847
Funds			
Restricted funds	16	61,914	13,500
Unrestricted funds	16	3,136,038	2,296,347
		3,197,952	2,309,847

The notes on pages 34 to 47 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 2 November 2022 and signed on its behalf by:



Sir Ron Kerr
Chair

Registered Company No. 07525114

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

	Note	£ 2022	£ 2021
Cash flows from operating activities			
Net cash provided by operating activities	21	1,245,757	353,432
Cash flows from investing activities			
Interest income		1,635	7,275
Purchase of tangible fixed assets		(94,036)	(27,707)
Disposals of fixed assets		–	–
Purchase of intangible fixed assets		(2,301)	(5,407)
Net cash used in investing activities		(94,702)	(25,839)
		1,151,055	327,593
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		2,361,370	2,033,777
Increase in cash and cash equivalents in the year		1,151,055	327,593
Cash and cash equivalents at the end of the reporting period		3,512,425	2,361,370

The notes on 34 to 47 form part of these financial statements.

	£ As at 1 April 2021	£ Cash flows	£ Other non - cash changes	£ As at 31 March 2022
Analysis of changes in net debt				
Cash and cash equivalents				
Cash	2,361,370	1,151,055	–	3,512,425
	2,361,370	1,151,055	–	3,512,425

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

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.

Incoming resources

Subscription and other incoming resources are accounted for on a receivable 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 benefits 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	£ 2022	£ 2021
Award agreement				
The Health Foundation	124,063	–	124,063	–
Projects & other income				
Digital transformation	933,091	–	933,091	755,950
NHSE/I	590,000	–	590,000	–
Community Network	–	17,500	17,500	30,000
Peer Support	–	230,000	230,000	–
Network Integrated Project	–	–	–	71,578
Other Income	116,923	–	116,923	21,339
Total projects & other income	1,640,014	247,500	1,887,514	878,867
Foundation trusts and trusts				
Course fees	554,467	–	554,467	334,541
Total income from charitable activities	2,318,544	247,500	2,566,044	1,213,408

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:

	£ 2022	£ 2021
Turnover	177,359	212,852
Cost of sales and administration costs and taxation	(186,836)	(172,857)
Net (loss)/profit	(9,477)	39,995
The assets and liabilities of the subsidiary were:		
Current assets	543,905	191,608
Current liabilities	(553,381)	(191,607)
Total net assets	(9,476)	1
Share capital	1	1
Profit and loss reserves	(9,477)	–
Aggregate share capital and reserves	(9,476)	1

4. Investment income

	£ Unrestricted funds	£ Restricted funds	£ 2022	£ 2021
Interest	1,635	–	1,635	7,275

5. Analysis of expenditure on charitable activities

	£ Direct costs	£ Support	£ Governance	£ Total 2022	£ Total 2021
Influence	1,566,415	857,631	13,745	2,437,791	2,085,325
Voice	753,885	277,469	4,447	1,035,801	881,450
Support	2,337,696	958,531	15,362	3,311,589	2,409,234
Total expenditure	4,657,996	2,093,631	33,554	6,785,181	5,376,009

Expenditure on charitable activities was £6,785,181 (2021: £5,376,009). In 2022 £199,086 (2021: £184,393) of these costs were restricted.

Support and governance costs of £2,093,631 (2021: £1,890,223) and £33,554 (2021: £28,675) are analysed in note 6 below, totalling £2,127,185 (2021: £1,918,898). 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 2021
Influence	1,300,319	773,276	11,730	2,085,325
Voice	590,710	286,395	4,345	881,450
Support	1,566,082	830,552	12,600	2,409,234
Total expenditure	3,457,111	1,890,223	28,675	5,376,009

6. Analysis of governance and support costs

	£ Influence	£ Voice	£ Support	£ Total 2022	£ Total 2021
IT	39,610	12,815	44,270	96,695	124,708
Premises	85,041	27,513	95,046	207,600	205,286
Human resources	652,879	211,226	729,689	1,593,794	1,336,036
General office costs	62,657	20,271	70,029	152,957	161,197
Legal	2,090	676	2,336	5,102	2,042
Irrecoverable VAT	9,046	2,927	10,110	22,083	21,379
Professional fees	6,308	2,041	7,051	15,400	39,575
Total support	857,631	277,469	958,531	2,093,631	1,890,223
Governance	13,745	4,447	15,362	33,554	28,675
Total support	871,376	281,916	973,893	2,127,185	1,918,898

*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 overlaps in activities.

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

7. Total expenditure

	£ Total 2022	£ Total 2021
Net income/expenditure is stated after charging:		
Auditor's remuneration:		
Audit	15,125	15,590
Tax advisory, secretarial services	3,615	2,920
Payroll costs	4,725	1,500
Depreciation	126,131	122,291
Operating leases	204,532	204,532
Loss on disposal of fixed assets	1,506	–

8. Trustees

One trustee, Ron Kerr was reimbursed for expenses relating to travel and accommodation of £292, (2021- £nil) and received remuneration of £55,000 (2021: £55,000) for the year. There is no contribution to a pension fund. The legal authority conferring authority to make payment is provisioned for in the articles of association.

The clause was ratified at an EGM on 10 September 2013 under consultation with the Charity Commission. No other trustees received remuneration for services rendered or reclaimed expenses. The company incurred a cost of £744 (2021: £587) in respect of annual indemnity insurance for the 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.

	£ 2022	£ 2021
Key management personnel emoluments	886,007	839,737

Seven of the directors were in the NHS Pension scheme which is a defined benefit pension scheme (2021-5), and one was in a personal defined contribution pension scheme to which the charity contributes (2021-1).

10. Staff costs

	£ 2022	£ 2021
Wages and salaries	4,069,930	3,155,523
Social security costs	425,568	335,949
Defined contribution pension costs	232,353	173,257
Defined benefit pension costs - NHS pension scheme	8,154	8,985
	4,736,005	3,673,714

11. Staff numbers

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

	2022	2021
Influence	34	27
Voice	11	10
Support	38	29
	83	66

The bandings for employees who receive more than £60,000 are set out on page 24.

12. Fixed assets – group and charity

	£ Intangible fixed assets	£ Leasehold property improvements	£ Fixtures and fittings	£ Office equipment	£ Computer equipment	£ Total
Cost						
At 1 April 2021	249,191	52,571	92,039	4,833	148,812	547,446
Additions	2,301	1,396	4,793	695	87,152	96,337
Disposals	–	–	–	–	(60,176)	(60,176)
At 31 March 2022	251,492	53,967	96,832	5,528	175,788	583,607
Depreciation						
At 1 April 2021	164,942	50,483	90,640	4,833	97,033	407,931
Charge for the year	79,650	701	2,266	154	43,360	126,131
Disposals	–	–	–	–	(58,669)	(58,669)
At 31 March 2022	244,592	51,184	92,906	4,987	81,724	475,393
Net book value at 31 March 2022	6,900	2,783	3,926	541	94,064	108,214
Net book value at 31 March 2021	84,249	2,088	1,399	–	51,779	139,515

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	
	£ 2022	£ 2021	£ 2022	£ 2021
Debtors	480,626	368,476	325,496	301,425
Other debtor	147,500	2,438	147,500	2,439
Prepayments	209,756	145,612	130,061	116,018
Amounts due from FTN Trading Limited	-	-	266,258	105,345
	837,882	516,526	869,315	525,227

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	
	£ 2022	£ 2021	£ 2022	£ 2021
Trade creditors	562,581	193,511	437,487	191,304
Social security and other taxes	242,542	136,885	240,639	125,798
Other creditors	41,608	31,521	41,609	31,521
Accruals	237,617	177,966	233,617	173,021
Deferred income	185,696	167,680	29,570	99,663
	1,270,044	707,563	982,922	621,307

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	
	£ 2022	£ 2021	£ 2022	£ 2021
Brought forward	167,680	100,947	99,663	86,566
Deferred	185,696	167,680	29,570	99,663
Released	(167,680)	(100,947)	(99,663)	(86,566)
Carried forward	185,696	167,680	29,570	99,663

16. Restricted and unrestricted funds

Group	£ Balance 1 April 2021	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2022
Community Network	13,500	17,500	(31,000)	-	-
Peer support review	-	230,000	(168,086)	-	61,914
Total restricted funds	13,500	247,500	(199,086)	-	61,914
Designated Community network fund	37,565	-	(35,723)	15,723	17,565
Designated funds	37,565	-	(35,723)	15,723	17,565
General other unrestricted	2,258,782	7,573,979	(6,708,040)	(15,723)	3,108,998
Total unrestricted funds	2,296,347	7,573,979	(6,743,763)	-	3,126,563
Total funds	2,309,847	7,821,479	(6,942,849)	-	3,188,477

Charity	£ Balance 1 April 2021	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2022
Community Network	13,500	17,500	(31,000)	-	-
Peer support review	-	230,000	(168,086)	-	61,914
Total restricted funds	13,500	247,500	(199,086)	-	61,914
Designated Community network fund	37,565	-	(35,723)	15,723	17,565
Designated funds	37,565	-	(35,723)	15,723	17,565
General other unrestricted	2,258,782	7,425,786	(6,550,372)	(15,723)	3,118,473
Total unrestricted funds	2,296,347	7,425,786	(6,586,095)	-	3,136,038
Total funds	2,309,847	7,673,286	(6,785,181)	-	3,197,952

During the year NHS Providers was engaged with a peer support offer for local systems working in partnership with relevant membership bodies.

It received restricted funding from NHS England to lead on the project in 21/22 of £230,000 with delivery to continue into the 22/23 financial year.

A designated fund to support community network trusts has a £17,565 carried forward balance to provide future support. An amount of £15,723 was transferred from general unrestricted funds to designated reserves to fund community network activities.

NHS Confederation also funded the community network service by providing £17,500 of restricted funding.

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 Other 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 other 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

17. Analysis of net assets between funds

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2022	£ Total 2021
Intangible fixed assets	-	6,900	6,900	84,249
Tangible fixed assets	-	101,314	101,314	55,266
Net current assets	61,914	3,018,349	3,080,263	2,170,333
	61,914	3,126,563	3,188,477	2,309,848

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2022	£ Total 2021
Intangible fixed assets	-	6,900	6,900	84,249
Tangible fixed assets	-	101,314	101,314	55,266
Investments	-	1	1	1
Net current assets	61,914	3,027,823	3,089,737	2,170,332
	61,914	3,136,038	3,197,952	2,309,848

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2021
Intangible fixed assets	-	84,249	84,249
Tangible fixed assets	-	55,266	55,266
Net current assets	13,500	2,156,833	2,170,333
	13,500	2,296,348	2,309,848

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2021
Intangible fixed assets	-	84,249	84,249
Tangible fixed assets	-	55,266	55,266
Investments	-	1	1
Net current assets	13,500	2,156,832	2,170,332
	13,500	2,296,348	2,309,848

18. Financial commitments

As of 31 March 2022 the charity was committed to making the following payments under non-cancellable operating leases in the following periods:

	£ 2022	£ 2021
Payable in respect of leases expiring:		
Within the year	78,077	204,540
Between the second and fifth year inclusive	–	78,077
Over five years from the balance sheet date	–	–

On the 17 August 2022, NHS Providers signed a 10 year lease agreement, with a five year break clause and initial 10 month rent free period. The principal annual rental sum is £191,386. NHS Providers will continue to rent and occupy its current office premises until 17th December 2022 with an option to extend beyond that on a month by month basis if required.

19. Liability of members

On 31 March 2022 the charity had 212 (2021:215) 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 did not pay a donation under gift aid to NHS Providers as it sustained a loss of £9,476 (2021: profit £39,995). FTN paid a management charge of £29,167 to its parent charity during the year (2021: £58,758). At the year end NHS Providers was owed £266,259 (2021: £99,345) by FTN Trading Limited.

Transactions between the holding and subsidiary company are conducted at arm's 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 £12,740 over a six-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

	£ 2022	£ 2021
Net income for the reporting period (as per the statement of financial activities)	878,630	294,507
Add back: depreciation	126,131	122,291
Add back: loss on disposal of asset	1,506	-
Deduct interest income shown in investing activities	(1,635)	(7,275)
Increase in debtors	(321,356)	(263,765)
Decrease in creditors	562,481	207,674
Net cash inflow from operating activities	1,245,757	353,432

22. Comparative statement of financial activities 2021

	£ Unrestricted funds	£ Restricted funds	£ Total 2021
Income from			
Donations and legacies	-	-	-
Charitable activities	1,183,408	30,000	1,213,408
Subscription income	4,351,083	-	4,351,083
Other trading activities	212,852	-	212,852
Investments	7,275	-	7,275
Total income	5,754,618	30,000	5,784,618
Expenditure on			
Trading activities	114,102	-	114,102
Charitable activities	5,191,616	184,393	5,376,009
Other	-	-	-
Total expenditure	5,305,718	184,393	5,490,111
Net income/(expenditure) and net movement in funds for the year	448,900	(154,393)	294,507
Transfers between funds			-
Total funds brought forward	1,847,448	167,893	2,015,341
Total funds carried forward	2,296,348	13,500	2,309,848

NHS Providers is the membership organisation 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 England in voluntary membership, collectively accounting for £104bn of annual expenditure and employing 1.2 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
